

Also, memorial of the Legislature of the State of Arizona, memorializing the President and the Congress of the United States to repeal the Federal transportation tax; to the Committee on Ways and Means.

#### PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ANGELL:

H. R. 6057. A bill for the relief of Anacortes Shipways, Inc. (Pacific Shipways Division), and for other purposes; to the Committee on the Judiciary.

By Mr. HERTER:

H. R. 6058. A bill for the relief of S. L. Ayres & Co., Inc.; to the Committee on the Judiciary.

H. R. 6059. A bill for the relief of Mrs. Zurnut Zelveian, Halg Zelveian, and Mary Zelveian; to the Committee on the Judiciary.

By Mr. KEOGH:

H. R. 6060. A bill to confer jurisdiction on the Court of Claims of the United States to hear, determine, and render judgment upon the claim of the Hawaiian Airlines, Ltd.; to the Committee on the Judiciary.

By Mr. McMILLAN of South Carolina:

H. R. 6061. A bill for the relief of Mrs. Ethel N. Plunkett; to the Committee on the Judiciary.

By Mr. MORRISON:

H. R. 6062. A bill to authorize the President of the United States to present the Congressional Medal of Honor to Thomas W. Doyle; to the Committee on Armed Services.

By Mr. MULTER:

H. R. 6063. A bill for the relief of Cosmo Casati; to the Committee on the Judiciary.

By Mr. POULSON:

H. R. 6064. A bill for the relief of Hanna Mussbach; to the Committee on the Judiciary.

#### PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1668. By Mr. ELSTON: Petition of Frank Rohe and 54 other residents of Cincinnati, Ohio, and vicinity, urging support of legislation to reduce postage for relief packages mailed to certain European countries; to the Committee on Post Office and Civil Service.

1669. By Mr. LARCADE: Petition of Mrs. N. J. Amy and other members of the Woman's Christian Temperance Union of Eunice, La., in regard to S. 265; to the Committee on Interstate and Foreign Commerce.

1670. By Mr. NORBLAD: Petition signed by Dorothy D. Dunmire and 27 other citizens of Clackamas County, Oreg., in support of the Marshall plan; to the Committee on Foreign Affairs.

1671. Also, petition signed by Mildred L. Anderson and 22 other citizens of Dallas, Oreg., in support of the Marshall plan; to the Committee on Foreign Affairs.

1672. Also, petition of Mrs. Lois C. Upjohn, of Salem, Oreg., and 34 other citizens of the State of Oregon, in support of the Marshall plan; to the Committee on Foreign Affairs.

1673. By the SPEAKER: Petition of Slovak Action Committee petitioning consideration of their resolution with reference to Slovak national independence; to the Committee on Foreign Affairs.

1674. Also, petition of Naval Reserve Officers Association of Tokyo, Yokohama Chapter, No. 159, petitioning consideration of their resolution with reference to mobilization of the Reserve and enactment of the European recovery program; to the Committee on Armed Services.

1675. Also, petition of J. Jasper Spurling and others, petitioning consideration of their resolution with reference to opposition to a peacetime draft; to the Committee on Armed Services.

1676. Also, petition of Jean Eaton and others, petitioning consideration of their resolution with reference to opposition to the Towe bill (H. R. 4278); to the Committee on Armed Services.

## SENATE

WEDNESDAY, MARCH 31, 1948

(Legislative day of Monday, March 29, 1948)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Rev. Bernard Braskamp, D. D., pastor of the Gunton-Temple Memorial Presbyterian Church, Washington, D. C., offered the following prayer:

Almighty God, inspire us to carry on during this day with confidence and a clear vision of the glorious triumph of justice and righteousness.

May all who are serving our generation in these times of unparalleled problems be guided by Thy spirit to find practical and promising ways of mediating to struggling humanity the Master's way of the more abundant life.

Fortify us against those specters of fear which haunt us in our hours of perplexity. May we never surrender to defeatism. Help us to bear testimony that we are the intrepid pilgrims of a greater faith and a larger hope.

In Christ's name we pray. Amen.

#### THE JOURNAL

On request of Mr. WHERRY, and by unanimous consent, the reading of the Journal of the proceedings of Tuesday, March 30, 1948, was dispensed with, and the Journal was approved.

#### MESSAGES FROM THE PRESIDENT— APPROVAL OF BILL

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that on March 30, 1948, the President had approved and signed the following act:

S. 2182. An act to extend certain provisions of the Housing and Rent Act of 1947, to provide for the termination of controls on maximum rents in areas and on housing accommodations where conditions justifying such controls no longer exist, and for other purposes.

#### MESSAGE FROM THE HOUSE—ENROLLED BILLS AND JOINT RESOLUTION SIGNED

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the Speaker had affixed his signature to the following enrolled bills and joint resolution, and they were signed by the President pro tempore:

S. 2361. An act to provide for a temporary extension of the National Housing Act, as amended;

H. R. 718. An act for the relief of Clarence J. Wilson and Margaret J. Wilson;

H. R. 986. An act for the relief of Leslie H. Ashlock;

H. R. 1215. An act for the relief of Kazuo Oda Takahashi;

H. R. 1586. An act for the relief of Mrs. Leslie Price, Philip C. Price, Mrs. Louise Keyton, Annie Curry, and James Curry;

H. R. 2214. An act for relief of Dave Hougardy;

H. R. 2347. An act for the relief of Mrs. Akiko Tsukado Miller;

H. R. 3061. An act for the relief of Victor C. Kaminski (also known as Victor Kaminski);

H. R. 3118. An act for the relief of Mrs. Susan W. Roe;

H. R. 3229. An act to exempt Hawaii and Alaska from the requirements of the act of April 29, 1902, relating to the procurement of statistics of trade between the United States and its noncontiguous territory;

H. R. 4177. An act for the relief of William L. Cunliffe;

H. R. 4478. An act to provide basic authority for certain administrative expenditures for the Veterans' Administration, and for other purposes;

H. R. 4938. An act to amend the Tariff Act of 1930 with reference to platinum foxes and platinum-fox furs, and for other purposes;

H. R. 4948. An act to extend the authority of the Administrator of Veterans' Affairs to establish and continue offices in the territory of the Republic of the Philippines;

H. R. 5049. An act to reopen the reconstituted Oregon & California Railroad and reconveyed Coos Bay Wagon Road grant lands to exploration, location, entry, and disposition under the general mining laws; and

H. J. Res. 355. Joint resolution making appropriations for foreign aid, welfare of Indians, and refunding internal-revenue collections.

#### ARTHUR H. VANDENBERG

Mr. WHERRY. Mr. President, on March 31, 1928, a young man came to Washington from Michigan to take his place in the Senate by appointment. During his years of service since that time, he has distinguished himself, not only as a citizen of Michigan, not only as a great statesman of the United States of America, but as a leader in world affairs. I pay my compliment today, in this brief comment, to the distinguished senior Senator from Michigan, ARTHUR H. VANDENBERG, the President pro tempore of the Senate, who has blazed a notable trail in these 20 years and has set before us an enviable pattern of faithful and high-minded public service. I suggest that when the history of our times is written ARTHUR H. VANDENBERG will occupy a glorious place as a great statesman and a great American. [Applause.]

Mr. DONNELL. Mr. President, the distinguished Senator from Nebraska has, I am sure, stated the sentiments not only of the minds but of the hearts of the Members of the Senate, for not only has our distinguished President pro tempore—who has at times commented with some question mark in regard to the pro tempore portion of his title—given to us a magnificent example of leadership and statesmanship, but by his fine personal qualities he has endeared himself to the Members of this great body. As one of the newer Members of the Senate, and one who has long been an admirer of the Senator from Michigan, I take pleasure in joining the Senator from Nebraska in his eloquent expressions of appreciation.



# MAINTENANCE OF DOMESTIC RUBBER INDUSTRY—CONFERENCE REPORT

Mr. BRICKER. Mr. President, I submit a conference report on House bill 5314, to strengthen national security and the common defense by providing for the maintenance of an adequate domestic rubber-producing industry, and for other purposes, and I ask unanimous consent for its immediate consideration.

The PRESIDENT pro tempore. The conference report will be read.

The Chief Clerk read the conference report, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 5314) to strengthen national security and the common defense by providing for the maintenance of an adequate domestic rubber-producing industry, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "That this Act may be cited as the 'Rubber Act of 1948'."

## "DECLARATION OF POLICY

"SEC. 2. It is the policy of the United States that there shall be maintained at all times in the interest of the national security and common defense, in addition to stock piles of natural rubber which are to be acquired, rotated, and retained pursuant to the Strategic and Critical Materials Stock Piling Act (Public Law 520, Seventy-ninth Congress, approved July 23, 1946), a technologically advanced and rapidly expandable rubber-producing industry in the United States of sufficient productive capacity to assure the availability in times of national emergency of adequate supplies of synthetic rubber to meet the essential civilian, military, and naval needs of the country. It is further declared to be the policy of the Congress that the security interests of the United States can and will best be served by the development within the United States of a free, competitive synthetic-rubber industry. In order to strengthen national security through a sound industry it is essential that Government ownership of production facilities, Government production of synthetic rubber, regulations requiring mandatory use of synthetic rubber, and patent pooling be ended and terminated whenever consistent with national security, as provided in this Act.

## "AUTHORITY TO EXERCISE CERTAIN CONTROLS OVER NATURAL RUBBER AND SYNTHETIC RUBBER AND PRODUCTS CONTAINING NATURAL AND SYNTHETIC RUBBER

"SEC. 3. To effectuate the policies set forth in section 2 of this Act, the President is authorized to exercise allocation, specification, and inventory controls of natural rubber and synthetic rubber, and specification controls of products containing natural rubber and synthetic rubber, notwithstanding any changes in the supply or estimated supply of natural rubber or synthetic rubber; and he shall exercise such controls by issuing such regulations as are required to insure (a) the consumption in the United States of general-purpose synthetic rubber in a specified percentage of the combined total estimated annual consumption of natural rubber and general-purpose synthetic rubber consumed within the United States, and (b) the consumption in the United States of any or all types of special-purpose synthetic rubber in specified percentages of the combined total estimated

annual consumption of natural rubber, general-purpose synthetic rubber, and special-purpose synthetic rubber consumed within the United States. Such percentages shall be established so as to assure the production and consumption of general-purpose synthetic rubber and special-purpose synthetic rubber in quantities determined by the President to be necessary to carry out the policy of section 2 of this Act, and the provisions of Public Law 520, Seventy-ninth Congress, approved July 23, 1946: *Provided*, That the minimum percentages established by the President shall result in a total annual tonnage consumption of synthetic rubber of at least the amounts specified in section 5 (d) of this Act, and that any mandatory consumption in excess of the quantities specified in section 5 (d) of this Act shall not be more than is deemed by the President to be necessary in the interest of national security and the common defense.

## "IMPORTATION AND EXPORTATION

"SEC. 4. (a) The President may impose such import restrictions on finished and semifinished rubber products as he deems necessary to assure equality with like or similar products produced within the United States in accordance with regulations issued under this Act.

"(b) The President may exempt from the regulations issued under this Act finished and semifinished rubber products manufactured in the United States exclusively for export outside the United States.

## "DOMESTIC RUBBER-PRODUCING CAPACITY

"SEC. 5. (a) There shall be maintained at all times within the United States rubber-producing facilities having a rated production capacity of not less than six hundred thousand long tons per annum of general-purpose synthetic rubber and not less than sixty-five thousand long tons per annum of special-purpose synthetic rubber.

"(b) Of the sixty-five-thousand-long-ton rated production capacity for special-purpose synthetic rubber, specified in section 5 (a) of this Act, at least forty-five thousand long tons shall be of a type suitable for use in pneumatic inner tubes.

"(c) The synthetic rubber used to satisfy the mandatory consumption provided in section 3 of this Act shall be produced by the Government or for the Government account, or purchased from others for resale by the Government or for the Government account.

"(d) Facilities in operation by the Government or private persons shall produce annually not less than one-third of the rated production capacities specified in section 5 (a) and (b) of this Act.

"(e) The facilities to be maintained in operation by the Government and those to be maintained in adequate stand-by condition shall be determined from time to time by the President.

"(f) At least one facility for making butadiene from alcohol shall be maintained in operation or in adequate stand-by condition.

## "RESEARCH AND DEVELOPMENT

"SEC. 6. (a) To effectuate further the policies set forth in section 2 of this Act with respect to a technologically advanced domestic rubber-producing industry, continuous and extensive research by private parties and the Government is essential. The Government is hereby authorized to undertake research in rubber and allied fields and the powers, functions, duties, and authority of the Government to undertake research and development in rubber and allied fields shall be exercised and performed by such departments, agencies, officers, Government corporations, or instrumentalities of the United States as the President may designate, whether or not existing at the date of enactment of this Act.

"(b) The cost of undertaking and maintaining the research and development authorized in section 6 (a) of this Act may be

paid from such sums as the Congress, from time to time, may appropriate to carry out the provisions of this Act.

## "OPERATION OF RUBBER-PRODUCING FACILITIES BY THE UNITED STATES GOVERNMENT

"SEC. 7. (a) The powers, functions, duties, and authority to produce and sell synthetic rubber conferred in section 7 (b) of this Act shall be exercised and performed by such department, agency, officer, Government corporation, or instrumentality of the United States as the President may designate, whether or not existing at the date of enactment of this Act.

"(b) The department, agency, officer, Government corporation, or instrumentality of the United States designated by the President pursuant to section 7 (a) of this Act shall have the powers, functions, duties, and authority to produce and sell synthetic rubber, including the component materials thereof, in amounts sufficient to assure the production of synthetic rubber as required by the President in section 3 of this Act: *Provided*, That so far as practicable the President shall authorize such production of synthetic rubber, including the component materials thereof, as may be necessary to satisfy voluntary usage of synthetic rubber, including the component materials thereof.

"(c) The aforesaid powers, functions, duties, and authority to produce and sell include all power and authority in such department, agency, officer, Government corporation, or instrumentality of the United States to do all things necessary and proper in connection with and related to such production and sale, including but not limited to the power and authority to make repairs, replacements, alterations, improvements, or betterments, to the rubber-producing facilities owned by the Government or in connection with the operation thereof and to make capital expenditures as may be necessary for the efficient and proper operation and maintenance of the rubber-producing facilities owned by the Government and performance of said powers, functions, duties, and authority.

"(d) Notwithstanding the provisions of this or any other Act, the aforesaid powers, functions, duties, and authority to produce and sell include the power and authority in such department, agency, officer, Government corporation, or instrumentality of the United States to (1) lease for operation for Government account all or any part of the Government-owned rubber-producing facilities in connection with the performance of said powers, functions, duties, and authority to produce and sell; (2) lease, for a period not extending beyond the termination date of this Act, Government-owned rubber-producing facilities for private purposes if such lease contains adequate provisions for the recapture thereof for the purposes set forth in section 7 (b) of this Act and if such lease provides that any synthetic rubber or component material as may be produced by the leased facilities shall not be used to satisfy mandatory requirements established by section 3; (3) grant permanent easements or licenses for private purposes in, on, or over land comprising part of the Government-owned rubber-producing facilities if such grant provides that such easement or license shall not interfere with the use at any time of the rubber-producing facilities involved; and (4) sell or otherwise dispose of obsolete or other property not necessary for the production of the rated capacity of the particular plant to which such property is charged.

## "STAND-BY FACILITIES

"SEC. 8. (a) To effectuate further the policies set forth in section 2 of this Act, the President is authorized to place in adequate stand-by condition such rubber-producing facilities as he shall determine necessary to maintain the continued existence of rubber-producing facilities capable of producing the



tonnage of synthetic rubber required by section 5 (a) of this Act.

"(b) Rubber-producing facilities placed in stand-by condition by the President pursuant to section 8 (a) of this Act may be maintained by such department, agency, officer, Government corporation, or instrumentality of the United States, whether or not existing on the date of enactment of this Act, as the President may designate: *Provided*, That nothing contained in section 8 (b) of this Act shall preclude such department, agency, officer, Government corporation, or instrumentality of the United States from entering into contracts with private persons for the maintenance of stand-by facilities: *Provided further*, That the cost of placing facilities in stand-by condition, maintaining such facilities in adequate stand-by condition, and, when necessary, reactivating such facilities, may be paid from such sums as the Congress, from time to time, may appropriate to carry out the provisions of this Act.

**"DISPOSAL OF GOVERNMENT-OWNED RUBBER-PRODUCING FACILITIES**

"SEC. 9. (a) The department, agency, officer, Government corporation, or instrumentality of the United States designated by the President pursuant to section 7 (a) of this Act shall undertake immediate study, conducting such hearings as may be necessary, in order to determine and formulate a program for disposal to private industry by sale or lease of the Government-owned rubber-producing facilities other than those authorized to be disposed of pursuant to section 9 (b) of this Act. A report with respect to the development of such a disposal program shall be made to the President and to Congress not later than April 1, 1949. On or before January 15, 1950, the President, after consultation with the National Security Resources Board, shall recommend to the Congress legislation with respect to the disposal of the Government-owned rubber-producing facilities other than those authorized to be sold, leased, or otherwise disposed of under the provisions of section 9 (b) of this Act, together with such other recommendations as he deems desirable and appropriate: *Provided*, That the Government shall maintain the ownership of a rated rubber-producing capacity of 600,000 long tons of general-purpose rubber and a rated rubber-producing capacity of 65,000 long tons of special-purpose rubber until a program is formulated and adopted for the sale or lease of such facilities as provided in this section.

"(b) Notwithstanding the provisions of this or any other Act, the department, agency, officer, Government corporation, or instrumentality of the United States designated by the President pursuant to section 7 (a) of this Act may, after consultation with the National Security Resources Board, sell, lease, or otherwise dispose of to private persons any rubber-producing facility, including such facilities as have been declared surplus pursuant to the Surplus Property Act of 1944, as amended, not required to fulfill the capacity set forth in section 5 (a) of this Act upon such terms and conditions as it may determine providing that such sale or lease shall be on the condition that any synthetic rubber or component materials produced in such facility shall not be used to satisfy the mandatory requirements established by section 3 of this Act.

**"ADMINISTRATION**

"SEC. 10. (a) The President may issue such rules and regulations as he deems necessary and appropriate to carry out the provisions of this Act.

"(b) The President may exercise any or all of the powers, authority, and discretion conferred upon him by this Act, including but not limited to the powers and authority conferred in section 12 of this Act, through such departments, agencies, officers, Government

corporations, or instrumentalities of the United States, whether or not existing at the date of the enactment of this Act, as he may direct.

"(c) The President, insofar as practical, shall consolidate all of the powers, functions, and authority contained in this Act in one department, agency, officer, Government corporation, or instrumentality of the United States, whether or not existing at the date of enactment of this Act. The President is authorized to cause a corporation to be organized for the purpose of producing and selling synthetic rubber. Any such corporation so organized shall be authorized, subject to the Government Corporation Control Act and to pertinent provisions of law affecting Government corporations, to sue and be sued, to acquire, hold, and dispose of property, to use its revenues, to determine the character of and necessity for its obligations and expenditures and the manner in which they shall be incurred, allowed and paid, and to exercise such other powers as may be necessary or appropriate to carry out the purposes of the corporation. The Secretary of the Treasury is authorized, out of appropriations made for that purpose, to subscribe to the capital stock of such corporation.

"(d) The President may transfer to the departments, agencies, officers, Government corporations, or instrumentalities of the United States, or to any of them, which he directs to exercise the powers, authority, and discretion conferred upon him by this Act, such rubber-producing facilities, personnel, property, and records relating to such powers, authority, and discretion, as he deems necessary; and he may so transfer all appropriations or other funds available for carrying out such powers, authority, and discretion.

"(e) In addition to the reports required by section 9 (a) of this Act, each department, agency, officer, Government corporation, or instrumentality of the United States to whom the President may delegate any powers, authority, and discretion conferred by this Act shall make an annual report to the President and to the Congress of operations under this Act.

**"PATENT POOLING AND USE OF TECHNICAL INFORMATION**

"SEC. 11. (a) To effectuate further the policies of this Act, the President is authorized and directed to take such action as may be appropriate with respect to patent pooling, patent licensing and exchange of information agreements entered into with the Government as a part of the wartime synthetic rubber program and, insofar as practicable and consistent with the purposes of this Act, to effectuate immediate cessation of further accumulation of technical information or rights to patents under the agreement dated December 19, 1941, as supplemented June 12, 1942, between the Government and others.

"(b) Any department, agency, officer, Government corporation, or instrumentality of the United States as the President may designate to perform the powers, functions, duties, and authority referred to in section 7 (b) of this Act shall be entitled to the benefits of the Act of June 25, 1910 (36 Stat. 851), as amended July 1, 1918 (40 Stat. 705), or any similar Act.

**"INFORMATION, REPORTS, SUBPENAS, WITNESSES, AND TESTIMONY**

"SEC. 12. (a) The President shall be entitled to obtain such information from, require such reports and the keeping of such records by, make such inspection of the books, records, and other writings, premises, or property of, any person and make such investigations, as may be necessary or appropriate, in his discretion, to the enforcement or administration of the provisions of this Act.

"(b) For the purpose of obtaining any information, verifying any report required, or making any investigation pursuant to sec-

tion 12 (a) of this Act, the President may administer oaths and affirmations, and may require by subpoena or otherwise the attendance and testimony of witnesses and the production of any books or records or any other documentary or physical evidence which may be relevant to the inquiry. Such attendance and testimony of witnesses and the production of such books, records, or other documentary or physical evidence may be required at any designated place from any State, Territory, or other place subject to the jurisdiction of the United States: *Provided*, That the production of a person's books, records, or other documentary evidence shall not be required at any place other than the place where such person resides, or transacts business, if, prior to the return date specified in the subpoena issued with respect thereto, such person furnishes the President with a true copy of such books, records, or other documentary evidence (certified by such person under oath to be a true and correct copy) or enters into a stipulation with the President as to the information contained in such books, records, or other documentary evidence. Witnesses shall be paid the same fees and mileage that are paid witnesses in the courts of the United States. No person shall be excused from attending and testifying or from producing any books, records, or other documentary evidence or certified copies thereof, or physical evidence, in obedience to any such subpoena, or in any action or proceeding which may be instituted under this Act on the ground that the testimony or evidence, documentary or otherwise, required of him may tend to incriminate him or subject him to a penalty or forfeiture; but no individual shall be subject to prosecution and punishment, or to any penalty or forfeiture, for or on account of any transaction, matter, or thing concerning which he is compelled to testify or produce evidence, documentary or otherwise, after having claimed his privilege against self-incrimination, except that any such individual so testifying shall not be exempt from prosecution and punishment for perjury committed in so testifying. The President shall not publish or disclose any information obtained under this section which the President deems confidential or with reference to which a request for confidential treatment is made by the person furnishing such information, unless the President determines that the withholding thereof is contrary to the interest of the national defense and security; and anyone violating this provision shall be guilty of a felony and, upon conviction thereof, shall be fined not exceeding \$1,000 or be imprisoned not exceeding two years, or both.

**"PENALTIES**

"SEC. 13. Any person who willfully performs any act prohibited, or willfully fails to perform any act required by any provision of this Act or any rule, regulation, or order thereunder, shall upon conviction be fined not more than \$10,000 or imprisoned for not more than two years, or both.

**"JURISDICTION OF THE UNITED STATES COURTS**

"SEC. 14. (a) The district courts of the United States, and the United States courts of any Territory or other place subject to the jurisdiction of the United States, shall have jurisdiction of violations of this Act or any rule, regulation, or order or subpoena thereunder, and of all civil actions under this Act to enforce any liability or duty created by, or to enjoin any violation of this Act or any rule, regulation, order, or subpoena thereunder.

"(b) Any criminal proceeding on account of any such violation may be brought in any district in which any act, failure to act, or transaction constituting the alleged violation occurred. Any such civil action may be brought in any such district or in the district in which the defendant resides or



transacts business. Process in such cases, criminal or civil, may be served in any district wherein the defendant resides or transacts business or wherever the defendant may be found; and subpoenas for witnesses who are required to attend a court in any district in any such cases may run into any other district. No costs shall be assessed against the United States in any proceeding under this Act.

#### "EXCULPATORY CLAUSE"

"SEC. 15. No person shall be held liable for damages or penalties for any default under any contract or order which shall result directly or indirectly from compliance with this Act or any rule, regulation, or order issued thereunder, notwithstanding that any such rule, regulation, or order shall thereafter be declared by judicial or other competent authority to be invalid.

#### "EXEMPTION FROM ADMINISTRATIVE PROCEDURE ACT"

"SEC. 16. Functions exercised under this Act shall be excluded from the operation of the Administrative Procedure Act except as to the requirements of sections 3 and 10 thereof.

#### "SEPARABILITY"

"SEC. 17. If any provision of this Act or the application thereof to any person or circumstance is held invalid, the validity of the remainder of the Act and of the application of such provision to other persons and circumstances shall not be affected thereby.

#### "DEFINITIONS"

"SEC. 18. For the purposes of this Act—

"(a) The term 'natural rubber' means all forms and types of tree, vine, or shrub rubber, including guayule and natural rubber latex, but excluding reclaimed natural rubber;

"(b) The term 'synthetic rubber' means any product of chemical synthesis similar in general properties and applications to natural rubber, and specifically capable of vulcanization, produced in the United States, not including reclaimed synthetic rubber;

"(c) The term 'general-purpose synthetic rubber' means a synthetic rubber of the butadiene-styrene type generally suitable for use in the manufacture of transportation items such as tires or camel-back, as well as any other type of synthetic rubber equally or better suited for use in the manufacture of transportation items such as tires or camel-back as determined from time to time by the President;

"(d) The term 'special-purpose synthetic rubber' means a synthetic rubber of the types now known as butyl, neoprene, or N-types (butadiene-acrylonitrile types) as well as any synthetic rubber of similar or improved quality applicable to similar uses, as determined from time to time by the President;

"(e) The term 'rubber-producing facilities' means facilities, in whole or in part, for the manufacture of synthetic rubber, and the component materials thereof, including, but not limited to, buildings and land in which or on which such facilities may be located and all machinery and utilities associated therewith;

"(f) The term 'rated production capacity' means the actual productive capacity assigned to any rubber-producing facilities at time of authorization of construction or as thereafter amended in authorizations of additional construction or alterations thereto and used in published reports and in the records of the Office of Rubber Reserve, Reconstruction Finance Corporation, or successor agency, or privately owned plants, determined by the President based upon operating experience and records as determined from time to time by the President;

"(g) The term 'component materials' means the material, raw, semifinished, and

finished, necessary for the manufacture of synthetic rubber;

"(h) The term 'stand-by condition' means the condition in which rubber-producing facilities, in whole or in part, are placed when determined to be not needed for current operations, but are maintained so as to be readily available for the production of synthetic rubber or component materials;

"(i) The term 'person' means any individual, firm, copartnership, business trust, corporation, or any organized group of persons whether incorporated or not, and except for the provisions of section 13 any Government department, agency, officer, corporation, or instrumentality of the United States; and

"(j) the term 'United States' includes the several States, the District of Columbia, the Territories of Alaska and Hawaii, and Puerto Rico.

#### "AUTHORIZATION FOR APPROPRIATIONS"

"SEC. 19. (a) There are hereby authorized to be appropriated such sums as may be necessary and appropriate to carry out the provisions and purposes of this Act.

"(b) Until such time as appropriations herein authorized are made, any department, agency, officer, Government corporation, or instrumentality of the United States may, in order to carry out its functions, powers, and duties under this Act, continue to incur obligations and make expenditures in accordance with laws in effect on March 31, 1948.

#### "EFFECTIVE DATE"

"SEC. 20. This Act shall become effective on April 1, 1948, and shall remain in effect until June 30, 1950."

And the Senate agree to the same.

JOHN W. BRICKER,  
HARRY CAIN,  
A. WILLIS ROBERTSON,  
*Managers on the Part of the Senate.*

PAUL W. SHAFFER,  
DEWEY SHORT,  
W. STERLING COLE,  
CARL VINSON,  
*Managers on the Part of the House.*

The PRESIDENT pro tempore. Is there objection to the present consideration of the conference report?

There being no objection, the report was considered and agreed to.

#### REVISION OF UNITED STATES CODE—NOTICE OF HEARING ON H. R. 3214

Mr. DONNELL. Mr. President, notice is hereby given that on Thursday, April 22, 1948, at 10 a. m., a public hearing will begin in room 424, Senate Office Building, Washington, D. C., with respect to the bill, H. R. 3214, to revise, codify, and enact into law title 28 of the United States Code entitled "Judicial Code and Judiciary," before a subcommittee of the Senate Committee on the Judiciary, which subcommittee is composed of Senator MOORE, of Oklahoma; Senator McGRATH, of Rhode Island; and Senator DONNELL, of Missouri.

#### EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following communications and letters, which were referred as indicated:

#### SUPPLEMENTAL ESTIMATE—DEPARTMENT OF THE INTERIOR (S. Doc. No. 134)

A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the Department of the Interior, amounting to \$4,000,000, for the fiscal year 1948 (with an accompanying paper); to the Committee on Appropriations and ordered to be printed.

#### SUPPLEMENTAL ESTIMATE—DEPARTMENT OF JUSTICE (S. Doc. No. 135)

A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the Department of Justice, amounting to \$75,000, fiscal year 1949, in the form of an amendment to the Budget for said fiscal year (with an accompanying paper); to the Committee on Appropriations and ordered to be printed.

#### SUPPLEMENTAL ESTIMATES—FEDERAL SECURITY AGENCY AND DEPARTMENT OF LABOR (S. Doc. No. 131)

A communication from the President of the United States, transmitting supplemental estimates of appropriation for the Federal Security Agency and the Department of Labor, amounting to \$4,410,000, fiscal year 1948 (with an accompanying paper); to the Committee on Appropriations, and ordered to be printed.

#### SUPPLEMENTAL ESTIMATE—NATIONAL CAPITAL SESQUICENTENNIAL COMMISSION (S. Doc. No. 136)

A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the Sesquicentennial Commission, amounting to \$25,000, fiscal year 1948 (with an accompanying paper); to the Committee on Appropriations and ordered to be printed.

#### SUPPLEMENTAL ESTIMATE—LEGISLATIVE BRANCH (S. Doc. No. 133)

A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the legislative branch, amounting to \$2,500, fiscal year 1948 (with an accompanying paper); to the Committee on Appropriations and ordered to be printed.

#### SUPPLEMENTAL ESTIMATES—CLAIMS FOR DAMAGES AND JUDGMENTS AGAINST UNITED STATES (S. Doc. No. 132)

A communication from the President of the United States, transmitting estimates of appropriation submitted by the several executive departments and independent offices to pay claims for damages, judgments rendered against the United States, and audited claims, as provided by various laws, in the amount of \$1,826,586.51, together with an indefinite amount as may be necessary to pay interest, in the form of amendments to House Document 544, Eightieth Congress, second session (with accompanying papers); to the Committee on Appropriations and ordered to be printed.

#### RELIEF OF CERTAIN POSTAL EMPLOYEES

A letter from the Postmaster General, transmitting a draft of proposed legislation for the relief of certain postal employees (with an accompanying paper); to the Committee on Post Office and Civil Service.

#### CACHUMA UNIT, SANTA BARBARA COUNTY PROJECT, CALIFORNIA

A letter from the Secretary of the Interior, transmitting, pursuant to law, his report and findings on the Cachuma unit of the Santa Barbara County project, California (with accompanying papers); to the Committee on Interior and Insular Affairs.

#### AUDIT REPORT OF UNITED STATES MARITIME COMMISSION AND WAR SHIPPING ADMINISTRATION

A letter from the Comptroller General of the United States, transmitting, pursuant to law, an audit report of the United States Maritime Commission and the War Shipping Administration for the fiscal years ended June 30, 1946, and June 30, 1947 (with an accompanying report); to the Committee on Expenditures in the Executive Departments.

#### DISPOSITION OF EXECUTIVE PAPERS

A letter from the Archivist of the United States, transmitting, pursuant to law, a list



of papers and documents on the files of several departments and agencies of the Government which are not needed in the conduct of business and have no permanent value or historical interest, and requesting action looking to their disposition (with accompanying papers); to a Joint Select Committee on the Disposition of Papers in the Executive Departments.

The PRESIDENT pro tempore appointed Mr. LANGER and Mr. CHAVEZ members of the committee on the part of the Senate.

#### PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the PRESIDENT pro tempore:

A joint resolution of the Legislature of the State of California; to the Committee on Interior and Insular Affairs:

#### "Assembly Joint Resolution 2

"Joint resolution relative to the acquisition of Angel Island in San Francisco Bay as a State park

"Whereas Angel Island in San Francisco Bay is magnificently situated for use as a State park, being centered in a metropolitan population; and

"Whereas Angel Island is 1 square mile in area, and has upon it docks, wharves, barracks, housing and hospital facilities, paved roads, and utilities placed there by the Federal Government; and

"Whereas the island, currently managed by the War Assets Administration, has been declared surplus, and is now available to the State of California at an immense discount; and

"Whereas by previous appropriation, the department of natural resources has ample funds to acquire this island: Now, therefore, be it

*"Resolved by the Assembly and Senate of the State of California, jointly, That the State Park Commission be requested to investigate the suitability of Angel Island, relative to cost, development, cost and mode of transportation, water facilities, and suitability as a State park or recreational area and if, after such investigation, the State Park Commission concludes that it would be desirable for inclusion in the State park system, it would proceed with acquisition; and be it further*

*"Resolved, That the chief clerk of the assembly is directed to transmit copies of this resolution to the President of the United States, the President pro tempore of the Senate in the Congress of the United States, to the Speaker of the House of Representatives in the Congress of the United States, to each Senator and Representative from California in the Congress of the United States, to the War Assets Administration, to the director of the department of natural resources and the California State Park Commission."*

A concurrent resolution of the General Assembly of the Commonwealth of Kentucky; to the Committee on Finance:

"Concurrent resolution memorializing the Congress of the United States with respect to a change in the Federal internal revenue laws relating to traffic in alcoholic beverages

"Whereas under the existing Federal laws, licenses to traffic in alcoholic beverages, and tax stamps upon containers of alcoholic beverages, may be issued to persons who are not licensed under State laws to traffic in alcoholic beverages, and who may not lawfully possess alcoholic beverages under State laws; and

"Whereas by reason thereof illicit traffic in alcoholic beverages is encouraged and enforcement of State alcoholic beverage control laws is impeded: Now, therefore, be it

*"Resolved by the General Assembly of the Commonwealth of Kentucky, That the Congress of the United States is memorialized to amend the Federal statutes so as to provide that only those persons who are licensed to traffic in and possess alcoholic beverages under the laws of the State may be issued a Federal license, or Federal tax stamps, for traffic in or possession of alcoholic beverages in such State.*

"That the clerk of the house of representatives of the general assembly forthwith forward an authenticated copy of this resolution to the clerks of the respective Houses of the Congress, and to each Senator and Representative in Congress from Kentucky.

"Attest:

"BYRON ROYSTER,

*"Chief Clerk, House of Representatives."*

A joint resolution of the General Assembly of the Commonwealth of Kentucky; ordered to lie on the table:

#### "Senate Resolution No. 67

"Joint resolution memorializing Congress to pass a law providing Federal aid for equalizing education opportunities among the several States

"Whereas there exists gross inequalities between the poorer States and the richer States in their abilities to support a desirable educational program; and

"Whereas the poorer States are not in position to provide desirable educational programs when they increase State and local taxation to the maximum of their ability; and

"Whereas ignorance and low educational standards of the poorer States affect the economic conditions of the richer States because migration from one State to another makes the problems of one State the problems of all States: Now, therefore, be it

*"Resolved by the General Assembly of the Commonwealth of Kentucky:*

*"(1) That the General Assembly of the Commonwealth of Kentucky memorializes the Congress of the United States that it, at the earliest possible date, pass the bills providing Federal aid as now waiting action of the Congress in order that the poorer States, and specifically Kentucky, be enabled to provide the present needs for a minimum educational program.*

*"(2) Copies of this resolution shall be sent to the President and Chief Clerk of the Senate of the United States, the United States Senator from Kentucky, the Speaker and Chief Clerk of the House of Representatives of the United States, and the Representatives in Congress from Kentucky.*

"Attest:

"MARY LOU HUBBARD,

*"Assistant Clerk of the Senate."*

"MARCH 19, 1948."

A memorial of the Legislature of the State of Arizona; to the Committee on Interior and Insular Affairs:

#### "House Concurrent Memorial 1

"Concurrent memorial requesting a critical investigation of the Drefkoff plan for industrialization of the Navajo Indian Reservation

*"To the Congress of the United States:*

*"Your memorialist respectfully represents: The attention of the people of Arizona has been drawn to a plan or proposal, prepared at the instance of the Bureau of Indian Affairs, by one Max Drefkoff, industrial and business consultant, for the socialization and industrialization of the Navajo Indian Reservation.*

*"This plan contemplates the establishment of numerous industrial plants at various points on the Navajo Reservation, to employ Indian labor. Its objective is a worthy one, and its motive is not questioned.*

"However, on the whole the plan is subject to serious criticism. It accords little or no consideration to the Navajo way of life—a way of life which may not be revolutionized either by fiat or by miracle. It ignores physical, geographic, and economic conditions material to its practicality. While featuring industries to which neither the reservation nor its inhabitants are adapted, and some of which have already been tried unsuccessfully, it overlooks great natural resources which could and should be exploited. It contemplates an important expenditure of Government funds which in great measure would inevitably be wasted. It is spiced with injustices alike to the Navajo and those who serve them.

"Wherefore your memorialist, the House of Representatives of the State of Arizona, the Senate concurring, prays:

"1. That the Congress authorize a thorough investigation of the so-called Drefkoff plan, with a view to determining its feasibility or otherwise.

"2. That the investigation be extended to include a study of such vital factors as the Navajo himself, and his way of life; the Indian Service, by which the affairs of these tribal wards of the Government, are administered, and the Indian trader, an institution of 80 years standing, and that consideration be given to such material phases of the Navajo problem, ignored by the Drefkoff plan, as the establishment of an adequate educational system, including basic principles of health and sanitation; the possibilities of water development for industrial and agricultural pursuits, and, by no means least, the development of a system of improved roads.

"Passed the house March 17, 1948.

"Passed the senate March 18, 1948.

"Filed in the office of the secretary of state March 18, 1948."

A memorial of the Senate of the State of Arizona; to the Committee on Finance:

#### "Senate Memorial 1

"Memorial requesting Congress to repeal the Federal transportation tax

*"To the Congress of the United States:*

*"Your memorialist respectfully represents:*

*"There is pending in the Congress of the United States proposed legislation to repeal the 15 percent Federal transportation tax.*

*"The Federal tax on passenger transportation was enacted as an emergency war measure, its purpose being to curtail pleasure travel and reserve equipment for necessary wartime shipment of men and material.*

*"The economy of the State of Arizona rests, to a considerable extent, on the revenue derived from tourist travel. The effect of the tax, therefore, is not only to deprive the State of a material source of revenue, but to discourage travel at a time when the expansion of national transportation facilities is vital to the defense of the United States.*

*"Wherefore your memorialist, the Senate of the State of Arizona, requests:*

*"1. That the Congress speedily pass the McCarran bill repealing the Federal transportation tax.*

*"Unanimously adopted by the senate March 19, 1948.*

*"Filed in the office of the secretary of state March 20, 1948."*

A memorial of the House of Representatives of the State of Arizona; to the Committee on Armed Services.

#### "House Memorial 1

"Memorial requesting the Congress to enact a universal military training law

*"To the Congress of the United States:*

*"Your memorialist respectfully represents:*

*"It is the fervent hope and the determination of the people of this Nation that the liberty and peace, so hard fought for and*



won, shall not give way to the horror of a greater and more devastating world conflict.

"It is the belief of this body that the best guaranty of the efficacy of any plan for a lasting peace and the safeguarding of liberty lies in well-considered preparedness for any emergency that may arise.

"Foremost as a feature of preparedness and as a safeguard to the peace and liberty of this Nation and of the world, stands universal military training for the youth of this Nation.

"A policy of universal military training will impart a knowledge of the essentials of military service to a limitless reserve of citizens upon which this Nation may draw in the event of an emergency, and among the nations of the world will command respect and serve to warn aggressor nations that our country stands ready to protect the liberty and peace-loving peoples of the world.

"Wherefore your memorialist, the House of Representatives of the State of Arizona, requests:

"1. That the Congress of the United States enact legislation providing for universal military training of the youth of this Nation, of such ages and for such periods as to the Congress may seem wise.

"Adopted by the house this 18th day of March 1948.

"Filed in the office of the secretary of state, March 19, 1948."

A letter from H. Franklin Hamilton, president of the Laymen's League of the First Unitarian Church, Cleveland, Ohio, embodying a resolution adopted by that league favoring House Concurrent Resolution 59, to call a conference for the revision and strengthening of the United Nations Charter; to the Committee on Foreign Relations.

By Mr. KNOWLAND:

A joint resolution of the Legislature of the State of California; to the Committee on the Judiciary:

#### "Senate Joint Resolution 12

"Joint resolution relative to the tide and submerged lands off the coast of California

"Whereas on the adoption of the Declaration of Independence, the original States, as successors to the English Crown, became the owners of the tide and submerged lands within their respective borders, and such ownership was retained by them on the adoption of the Constitution and never has been relinquished to the Federal Government since; and

"Whereas the State of California was admitted to the Union on a basis of equality with the original States, possessing and enjoying all the attributes of sovereignty residing in the original States, including the ownership of the tide and submerged lands within its borders; and

"Whereas the decision of the United States Supreme Court in the case of the *United States v. California* has held that 'The United States of America is now, and has been at all times pertinent hereto, possessed of paramount rights in, and full dominion and power over, the lands, minerals, and other things underlying the Pacific Ocean lying seaward of the ordinary low-water mark on the coast of California, and outside of inland waters, extending seaward three nautical miles and bounded on the north and south, respectively, by the northern and southern boundaries of the State of California. The State of California has no title thereto or property interest therein'; and

"Whereas this decision casts a cloud upon the title of the State of California and all of its subdivisions or persons acting pursuant to its permission, to the tide and submerged lands off the coast of the State of California extending seaward 3 miles; and

"Whereas the Supreme Court has declared that the power to determine the question of ownership resides in the Congress; and

"Whereas the State of California, its subdivisions, and persons acting pursuant to its

permission have spent enormous sums of money improving and developing the tide and submerged lands along the coast of California, which improvements and developments are in jeopardy unless the Congress enacts legislation to remove the cloud on the title to said lands created by the Supreme Court decision; and

"Whereas the State of California has developed and made available for public use a system of beaches and parks at great cost and expense to the people of California, and these State-owned and operated beaches and parks have been developed to the point where they are now used and enjoyed by approximately 22,000,000 people per year; and

"Whereas the State of California, its cities, counties, and other political subdivisions have made improvements to tide and submerged lands for many purposes, including but not limited to harbor developments, piers, docks, wharves, jetties, recreational facilities, and industrial sites; and

"Whereas the State of California has had for many years a full and complete set of laws designed for the conservation, regulation, and management of its natural resources in such fields as mining, forestry, beaches and parks, oil and gas, public lands, soil conservation, fish and game, and harbors and navigation, and the State has provided for adequately staffed and financed administrative agencies to carry out these laws; and

"Whereas the State of California, its subdivisions, and persons acting pursuant to its permission have made the investments, improvements, and developments herein set forth in good faith upon the assumption that the State of California was the owner of, and had dominion and jurisdiction over the tide and submerged lands lying off the coast of California; and

"Whereas for many years prior to the Supreme Court decision many agencies of the Federal Government have recognized the ownership, dominion, and jurisdiction of the State of California over these tide and submerged lands; and

"Whereas the cloud created by the decision of the Supreme Court not only affects the investment, development, and improvement already made on and to the tide and submerged lands off the coast of California, but it will prevent further investments in and development to and improvement of these tide and submerged lands off the coast of California, to the detriment of the people of the State of California and of the United States: Now, therefore, be it

"Resolved by the Senate and the Assembly of the State of California, jointly, That the Congress of the United States be respectfully requested to enact legislation now pending before the Congress, to remove the cloud created by the Supreme Court decision by relinquishing to the State of California and the other respective States of the United States, and to their subdivisions and to persons acting under and pursuant to their permission, ownership of, title to, and dominion over the lands beneath the tidewaters and navigable waters of the United States a distance seaward 3 miles; so that the State of California, together with the several States, may continue without interruption the title to and dominion and jurisdiction over said lands, thereby perpetuating what has been considered for more than 160 years in good faith to be a proper sphere of State jurisdiction, dominion, and ownership; and be it further

"Resolved, That the secretary of the senate is directed to transmit copies of this resolution to the Senators and Representatives of the State of California and to the Committee on Judiciary of the United States Senate and to the Committee on Judiciary of the House of Representatives and to the President of the United States; and be it further

"Resolved, That the secretary of the senate is directed to send copies of this resolution to the mayors of all California cities and the chairmen of all boards of supervisors of California

counties and urge that they, in their local areas, continue unabated their valiant battle for the reaffirmation, by the Congress and the President, of California's unquestioned title to its tide and submerged lands."

By Mr. BARKLEY:

A concurrent resolution of the Legislature of the Commonwealth of Kentucky; to the Committee on Public Works:

"Concurrent resolution memorializing the Congress of the United States concerning the acquisition and maintenance, as a national shrine, of the Albert Sidney Johnston home, the old courthouse and old post office, located in the town of Washington, in Mason County, Ky.

"Whereas Albert Sidney Johnston has properly and justly been recognized by historians as one of the great generals of the Confederate forces during the War Between the States, and it is fitting and proper that his home be maintained and perpetuated as a symbol, to the people of our Nation, of the spirit and leadership which played so great a part in the development of our Nation; and

"Whereas the old courthouse in the town of Washington, in Mason County, Ky., and the old post office, which was the first post office established west of the Allegheny Mountains, are representative of the traditions of our Nation, and of the vision and courage of those men who expanded our frontier westward: Now, therefore, be it

"Resolved by the House of Representatives of the Commonwealth of Kentucky (the Senate concurring therein), That the Congress of the United States be and it hereby is memorialized to enact such legislation as may be required to provide for the acquisition and maintenance, as national shrines, of the Albert Sidney Johnston home and the old courthouse and old post office located in the town of Washington, in Mason County, Ky."

#### PENSIONS TO VETERANS OF WORLD WAR I

Mr. WHERRY. Mr. President, for the consideration of the Senate, I ask unanimous consent to submit for appropriate reference a resolution adopted by the General Squires Post 3113, Veterans of Foreign Wars, of Fairbury, Nebr., urging that inasmuch as the United States has seen fit to spend vast sums in various foreign-assistance programs, action now be taken to provide a general program of pensions for qualified veterans of World War I. The resolution reads:

Whereas the Government of the United States has money to give in money or material to foreign governments for all sorts of purposes, a great many of which are of doubtful value, we, the members of General Squires Post, No. 3113, Veterans of Foreign Wars, have passed, by unanimous vote, the following resolution:

"Resolved, That by right of service rendered our Government in times of war in foreign countries, and on account of age and infirmity, we feel that veterans of World War I should be paid a pension to aid them in their few remaining years similar to that awarded veterans of the Spanish-American War, and we ask your support of any measures to this end."

ARLO HOWELL,  
Commander, General Squires Post,  
No. 3113, Veterans of Foreign Wars.  
FAIRBURY, NEBR.

The PRESIDENT pro tempore. Without objection, the resolution will be received and referred to the Committee on Finance.

#### PROTEST AGAINST UNIVERSAL MILITARY TRAINING

Mr. CAPPER. Mr. President, I have received a memorial containing the



names of about 385 residents of the community of Newton, Kans., expressing their vigorous opposition to universal military training. It is, in my opinion, such an effective memorial on the subject that I ask unanimous consent to present it for appropriate reference and printing in the RECORD.

There being no objection, the memorial was received, referred to the Committee on Armed Services, and ordered to be printed in the RECORD, as follows:

NEWTON, KANS., March 20, 1948.

To our Representatives in Congress.

GENTLEMEN: We beg to be heard.

We are citizens of Newton, Kans., and vicinity.

We want America strong. We are willing to live, even to die, to make America strong.

There are other things we can do to make America strong. Universal military training, taking our youth from home, school, and church, and putting them in military camps and training, is not the way to make America strong. That is the one step we can take to guarantee that we in America will go as Europe has gone.

No nation has ever adopted military training without going militaristic. Nor has it ever kept a nation from being the attacker or attacked; or made it invincible in war.

We, the masses of Americans who pay in money and sons for what you men plan and vote—we entreat you to save America from militarism.

We will help you make America strong, if you will give us the opportunity.

#### REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. McGRATH, from the Committee on the District of Columbia:

H. R. 3433. A bill to amend the act entitled "An act to classify the officers and members of the Fire Department of the District of Columbia, and for other purposes," approved June 20, 1906, and for other purposes; with an amendment (Rept. No. 1037).

By Mr. BUCK, from the Committee on the District of Columbia:

H. R. 3998. A bill to provide for regulation of certain insurance rates in the District of Columbia, and for other purposes; with amendments (Rept. No. 1038);

H. R. 4572. A bill to amend section 7 of the District of Columbia Traffic Act, 1925, as amended, to provide for learners' permits, and for other purposes; without amendment (Rept. No. 1039);

H. R. 4636. A bill to amend an act entitled "An act to regulate the practice of the healing art to protect the public health in the District of Columbia," approved February 27, 1929, as amended; without amendment (Rept. No. 1040); and

H. R. 4649. A bill to provide that compensation of members of the Alcoholic Beverage Control Board of the District of Columbia shall be fixed in accordance with the Classification Act of 1923, as amended; without amendment (Rept. No. 1041).

By Mr. CAIN, from the Committee on the District of Columbia:

S. 2409. A bill to amend an act entitled "An act to provide revenue for the District of Columbia, and for other purposes," approved July 16, 1947; without amendment (Rept. No. 1042).

By Mr. BREWSTER, from the Committee on Interstate and Foreign Commerce:

S. 1853. A bill to authorize the Coast Guard to establish, maintain, and operate aids to navigation; without amendment (Rept. No. 1043);

S. 1222. A bill to authorize the Coast Guard to operate and maintain ocean stations; with amendments (Rept. No. 1044); and

H. R. 1036. A bill to provide for the licensing of marine radio-telegraph operators as ship radio officers, and for other purposes; without amendment (Rept. No. 1045).

#### EXTENSION OF TIME FOR INVESTIGATION OF CERTAIN POSTMASTERS

Mr. LANGER. Mr. President, from the Committee on Post Office and Civil Service, I ask unanimous consent to report Senate Resolution 214, submitted by me on the 22d instant, and I request its present consideration.

There being no objection, the resolution (S. Res. 214) was considered and agreed to, as follows:

Resolved, That the last paragraph of Senate Resolution 81, Eightieth Congress, agreed to June 17, 1947 (authorizing an investigation of the appointment of postmasters), is hereby further amended by striking out the date "March 31, 1948" and inserting in lieu thereof the date "June 30, 1948."

#### ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on today, March 31, 1948, he presented to the President of the United States the enrolled bill (S. 2361) to provide for a temporary extension of the National Housing Act, as amended.

#### EXECUTIVE MESSAGES REFERRED

As in executive session,

The PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, and withdrawing two nominations, which nominating message was referred to the Committee on Armed Services.

(For nominations this day received, see the end of Senate proceedings.)

#### EXECUTIVE REPORTS OF A COMMITTEE

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. WHITE, from the Committee on Interstate and Foreign Commerce:

Joseph J. O'Connell, Jr., of New York, to be a member of the Civil Aeronautics Board for the term of 6 years expiring December 31, 1953;

Elliott B. Roberts, to the rank of commander in the Coast and Geodetic Survey;

Roswell C. Bolstad, to the rank of lieutenant commander in the Coast and Geodetic Survey; and

Harley D. Nygren, to the rank of ensign in the Coast and Geodetic Survey.

#### BILLS INTRODUCED

Bills were introduced, read the first time and, by unanimous consent, the second time, and referred as follows:

By Mr. BROOKS:

S. 2413. A bill for the relief of Elal Commercial; to the Committee on the Judiciary.

By Mr. BALDWIN:

S. 2414. A bill for the relief of Fremont Rider; to the Committee on the Judiciary.

By Mr. TOBEY (for himself, Mr. BRICKER, and Mr. McGRATH):

S. 2415. A bill to amend section 5 of the Home Owners' Loan Act of 1933, and for other purposes;

S. 2416. A bill to amend section 19 of the Federal Home Loan Bank Act and subsection (c) of section 402 of the National Housing Act; and

S. 2417. A bill to adjust the premium charge of the Federal Savings and Loan Insurance Corporation; to the Committee on Banking and Currency.

By Mr. MORSE:

S. 2418. A bill to amend the act of July 8, 1943 (57 Stat. 388) entitled "An act to authorize the Secretary of Agriculture to adjust titles to lands acquired by the United States which are subject to his administration, custody, or control"; to the Committee on Agriculture and Forestry.

#### COORDINATED AGRICULTURAL PROGRAM—AMENDMENTS

Mr. MAGNUSON submitted amendments intended to be proposed by him to the bill (S. 2318) to provide for a coordinated agricultural program, which were referred to the Committee on Agriculture and Forestry and ordered to be printed.

#### INLAND WATERWAYS CORPORATION—AMENDMENT

Mr. HILL submitted an amendment intended to be proposed by him to the bill (S. 2296) to amend the act entitled "An act to create the Inland Waterways Corporation for the purpose of carrying out the mandate and purpose of Congress as expressed in sections 201 and 500 of the Transportation Act, and for other purposes," approved June 3, 1924, as amended, which was referred to the Committee on Interstate and Foreign Commerce and ordered to be printed.

#### PRINTING OF REPORT ON CONDITIONS IN BITUMINOUS-COAL AND LIGNITE MINES (S. DOC. NO. 137)

Mr. DWORSHAK. Mr. President, I ask unanimous consent to have printed as a Senate document the second report of the Secretary of the Interior, submitted pursuant to Public Law 328, chapter 450, Eightieth Congress, first session, covering conditions in all underground bituminous-coal and lignite mines inspected by Federal coal-mine inspectors during the 6-month period July 1, 1947, to December 31, 1947, inclusive.

The PRESIDENT pro tempore. Without objection, it is so ordered.

#### THE MARSHALL PLAN FOR CHINA—ADDRESS BY SENATOR THOMAS OF UTAH

[Mr. THOMAS of Utah asked and obtained leave to have printed in the RECORD an address on the subject, The Marshall Plan for China, broadcast by him over the facilities of Station KSL, of Salt Lake City, Utah, on March 30, 1948, which appears in the Appendix.]

#### LABOR MUST HAVE A POSITIVE NATIONAL POLICY—ARTICLE BY SENATOR THOMAS OF UTAH

[Mr. THOMAS of Utah asked and obtained leave to have printed in the RECORD an article entitled "Labor Must Have a Positive National Policy," written by him and published in the magazine North American Labor, for March 14, 1948, which appears in the Appendix.]

#### PREPAREDNESS FOR DEFENSE—STATEMENT BY SENATOR O'CONOR

[Mr. O'CONOR asked and obtained leave to have printed in the RECORD a statement prepared by him dealing with preparedness for defense, which appears in the Appendix.]

#### LEAVE OF ABSENCE

Mr. O'MAHONEY asked and obtained consent to be absent from further attendance upon the sessions of the Senate until Monday, April 5, 1948.



## COMMITTEE MEETINGS DURING SENATE SESSION

Mr. YOUNG asked and obtained consent for the subcommittee of the Committee on Agriculture and Forestry considering Senate bill 2376 to sit this afternoon during the session of the Senate.

Mr. TOBEY asked and obtained consent for the Committee on Interstate and Foreign Commerce to sit for the remainder of today.

Mr. WHERRY. Mr. President, I ask unanimous consent that the Small Business Committee, and also the Senate Investigating Committee, a subcommittee of the Committee on Expenditures in the Executive Departments, be permitted to continue for the remainder of today and tomorrow, if need be, the hearings that were begun this morning.

The PRESIDENT pro tempore. Without objection, it is so ordered.

## TRIAL OF THE ORTHODOX BISHOP OF BOSNIA—EDITORIAL FROM THE WASHINGTON POST

Mr. O'CONOR. Mr. President, a further illustration of the ruthless and brutal tactics of the foreign dictators in their attempt to suppress all liberty and freedom is afforded through the account of the so-called trial of the Orthodox bishop of Bosnia, recently conducted in Yugoslavia.

It is proof positive that the Russian satellite countries are following similar tactics to those employed by the Communists of the Kremlin in banishing all who disagree with their godless and undemocratic ideologies.

The Washington Post recently published an editorial, clearly portraying this additional travesty on justice, and, in order that the fullest information may be available to the American people on this present-day menace, I ask unanimous consent to insert a copy of this editorial as a part of my remarks at this point in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

## SARAJEVO INCIDENT

Through a leak in the iron curtain comes the news of another propaganda trial in "Titoslovakia." The victim in this case was the Right Reverend Varnava Nastich, the Orthodox Bishop of Bosnia. The general pattern of his trial at Sarajevo followed that of the trials of the Croatian Roman Catholic Archbishop Stepinac and of the Chetnik leader Mihailovich. That is to say, Bishop Nastich was accused of treason against the regime.

What made the case different was that the bishop in the courtroom boldly admitted the specific charges against him. He acknowledged that he had preached against Communist tyranny, that he had denounced the Communists for having kept the UNRRA supplies for themselves, and that he had expressed the hope that an American Army would come to liberate Yugoslavia. In this, said the bishop, "I spoke what all the people are speaking, feeling and desiring." He went on:

"I believe with people here and everywhere that war between America and the Soviets is inevitable. But rest assured the Soviets will lose that war. I know that our people will meet the American Army with cheers."

The bishop also refused to deny that he had been in communication with the remnant of the Chetniks, which is still holding

out in the mountains of Pracha and Rogatzia, and which according to some accounts, has been greatly strengthened by deserters from Tito's conscript armies. When the bishop referred to them as "brave men ready to lay down their lives for their people," there was a demonstration, and the presiding judge, the Montenegrin, Masan Radonich, angrily ordered the spectators cleared from the courtroom. Bishop Nastich was denied the right to make any further speech in his own defense. He was sentenced to 11 years at hard labor, which under the conditions existing in the slave camps, is probably equivalent to a sentence of death.

That he was permitted to go as far as he did is probably to be explained by the ignorance and ineptitude of his judges. Reports of the bishop's defiance are said to have spread rapidly from mouth to mouth. Thus, as propaganda, the trial recoiled on its authors. Incidentally, Bishop Nastich is an American by birth, a native of Gary, Ind. About a year ago he was elected to the episcopate of the Serbian Orthodox Church, and afterward sent to Sarajevo as successor to the Metropolitan Simonich, who was slain by the Croatian Ustachi under the German occupation. It was apparently the purpose of the regime to represent him as an agent of the American imperialists, but the effect was apparently opposite to the intention.

## FEDERAL AID TO EDUCATION

The Senate resumed the consideration of the bill (S. 472) to authorize the appropriation of funds to assist the States and Territories in financing a minimum foundation education program of public elementary and secondary schools, and in reducing the inequalities of educational opportunities through public elementary and secondary schools, for the general welfare, and for other purposes.

The PRESIDENT pro tempore. The question is on the amendment submitted by the senior Senator from Missouri [Mr. DONNELL].

Mr. MARTIN obtained the floor.

Mr. WHERRY. Mr. President, will the Senator yield so that I may suggest the absence of a quorum?

Mr. MARTIN. I yield.

Mr. WHERRY. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Hawkes	O'Connor
Baldwin	Hayden	O'Daniel
Ball	Hickenlooper	O'Mahoney
Barkley	Hill	Overton
Brewster	Hoey	Pepper
Bricker	Holland	Reed
Bridges	Ives	Revercomb
Brooks	Jenner	Robertson, Va.
Buck	Johnson, Colo.	Robertson, Wyo.
Bushfield	Johnston, S. C.	Russell
Byrd	Kem	Saltinostall
Cain	Kilgore	Smith
Capewhart	Knowland	Sparkman
Capper	Langer	Stennis
Chavez	Lodge	Stewart
Connally	Lucas	Taft
Cooper	McCarran	Thomas, Okla.
Cordon	McCarthy	Thomas, Utah
Donnell	McClellan	Thye
Downey	McFarland	Tobey
Dworshak	McGrath	Umstead
Eastland	McKellar	Vandenberg
Eaton	McMahon	Watkins
Ellender	Magnuson	Wherry
Ferguson	Malone	White
Flanders	Martin	Wiley
Fulbright	Maybank	Williams
George	Millikin	Wilson
Green	Moore	Young
Gurney	Morse	
Hatch	Myers	

Mr. WHERRY. I announce that the Senator from Nebraska [Mr. BUTLER] is absent by leave of the Senate.

Mr. LUCAS. I announce that the Senator from Idaho [Mr. TAYLOR] is absent on public business.

The Senator from Montana [Mr. MURRAY] is absent by leave of the Senate.

The Senator from Maryland [Mr. TYDINGS] is absent because of illness.

The Senator from New York [Mr. WAGNER] is necessarily absent.

The PRESIDENT pro tempore. Ninety-one Senators having answered to their names, a quorum is present.

Mr. MARTIN. Mr. President, just a few days ago while this Chamber was debating the European recovery plan I spoke on behalf of the ERP; for a strong national defense and for a solvent America.

I voted for the foreign-aid program because I felt that, if properly administered, it would be an investment that could prevent world conflict and could make it unnecessary to send our boys to war.

In the course of my remarks, I said:

A little while ago I mentioned my hope that the cost of our international program would rest as lightly as possible upon the American people, with provision of a sound margin for safety. The United States is a rich and powerful nation but there is a limit to our resources. As our national defense and foreign obligations rise, frugality should be the watchword on the home front. Congress has now before it all the appropriation legislation of our Government for the fiscal year. We must eliminate every frill, every proposal for new Federal services which cost the taxpayers money. Every project not immediately necessary should be either postponed or wiped out. The cost of Government functions must be stripped to the bone, and the lobbyists and pressure groups and their pet projects should be booted out the door.

We must remain solvent. We must be strong physically and spiritually if we are to meet the challenge that America must meet today.

To build up the military front will require great expenditures of money that can come only from the work, sweat, and sacrifice of our people. The people who pay the bills must know the value of their freedom and must be prepared to pay the price.

They must insist upon the elimination of new Government services and projects that eat up the money they pay in taxes. The people must know that we cannot spend the same money twice. If we spend it for preparedness we cannot afford an ever-increasing bureaucracy, swollen pay rolls and expanded Federal functions on the home front. The people must choose between liberty and independence and expensive governmental embroidery. If we love freedom we must be willing to forego the high-priced frills that have become part of our Federal system.

Only by the strictest economy can we provide the necessary funds to insure ourselves against tyranny and aggression. The Communists would like to see us in financial collapse—debt-ridden and bankrupt. That is the soil in which the seed of communism thrives.

Yet in the face of an uncertain future and the necessity for huge expenditures for peace and preparedness the administration has come forward with the most expensive proposals. They would add billions of dollars to the cost of Government here in America.

Whether we like it or not, this is the time for Spartan courage and sacrifice. We must keep America dynamic and solvent.



Mr. President, I think those words make my position clear today in opposition to S. 472. If we are to meet our international commitments and build up our armed forces we must forego additional services and additional grants-in-aid to the lower levels of government.

Now, I find the Senate—in the face of ERP, in the face of tax reduction, in the face of additional appropriations for national defense which may reach heaven only knows what cost, considering opening up new avenues of Federal expenditures.

We are asked to pioneer a new program at a cost of \$300,000,000 for the first year and more and more in succeeding years.

What we have here—let us face it frankly—is the beginning of something which will grow and grow through the years. This is something which, if started, probably no Congress will ever succeed in bringing to a halt. No future Congress will be able to resist the pressure to increase the three hundred millions to more and more.

Some months ago a group of educators came into my office urging my support of this measure. When they were questioned whether \$300,000,000 could do the job they had in mind, they admitted that it was only a start.

They explained that the \$300,000,000 for the first year and perhaps the second year was merely to get the precedent established. After that—they said frankly—they would go after increased appropriations. They would press for more—for \$500,000,000 a year—for seven hundred and fifty millions a year. Perhaps they would need \$1,000,000,000 a year to widen and expand their program.

Mr. President, the proponents of this bill are actuated by worthy and noble purposes. I join them in devotion to the cause of education and equal opportunity for every boy and girl in America to obtain a basic education.

In my own State of Pennsylvania in the past 5 years, including my term of office as Governor, our entire educational system has been reorganized. Teachers' salaries were greatly increased, the finances of school districts were placed on a more substantial basis, and educational opportunities were equalized so that the boys and girls in the poorer districts are given instruction equal to that provided in the districts more favorably situated. I am proud that I had a part in that splendid achievement.

But let me point out that unless America remains solvent—if we are not strong enough to turn back the rising tide of communism and its ruinous philosophy—even the educational opportunities which we enjoy today will go down to destruction.

Let us, therefore, make doubly sure that we can preserve what we now possess before we undertake a spending program such as is proposed in this bill.

Mr. President, there is another phase of the pending legislation that gives me great concern. It is the tendency toward centralized Federal control of education which cannot be avoided if this bill is enacted.

One of the bulwarks of our country's greatness has been the free educational

system directed and controlled by local authorities in the States and civil subdivisions. I am not unmindful that the advocates of this bill assure us that provision has been made for the States and communities to retain control of their educational systems, subject only to audit by the Federal authorities. But experience has demonstrated that whenever funds are provided from the Federal Treasury control from Washington is inevitable and grows stronger from year to year.

One of the strongest arguments I can present may be found in a minority report on a measure considered in 1943 which was similar in many respects to S. 472. That report was joined in by three of our distinguished, able, and sincere colleagues, the Senator from Ohio [Mr. TAFT], the Senator from Minnesota [Mr. BALL], and the Senator from Nebraska [Mr. WHERRY]. In that report they said:

We do not subscribe to the doctrine that because our public schools and our educational facilities are a vital element in our national welfare they thereby become the proper concern and implied responsibility of the National Government.

Our schools are one of the few remaining bulwarks of local self-government and community enterprise. They should so remain.

In the same minority report it was stated:

The bill, therefore, does not do the very thing which it is supposed to do.

Equalization, as a matter of fact, cannot be secured except by complete Federal control and direction. Everyone agrees that complete Federal control and direction are worse than the inequality which now exists—Congress ought not to give away Federal funds to the States, with no Federal control over the spending of the funds. If, on the other hand, the Federal Government is to retain control over the expenditures and to dictate them, then it means Federal control of education—an alternative equally obnoxious. There is no middle ground.

Mr. President, unquestionably some States need help to finance education within their borders. I would suggest not a plan to subsidize their educational systems from the Federal Treasury, but rather than they be given an opportunity to help themselves. Let Congress withdraw to some extent from the field of taxation so that the States can move into the field relinquished by the Federal Government.

A more equitable allocation of tax sources among the three levels of government would aid States and local communities to meet this problem. At the same time it would prevent the creation of another center of bureaucracy at Washington.

For these basic reasons I am opposed to S. 472 and shall vote against it.

Mr. President, I now ask unanimous consent to have printed in the RECORD at this point in my remarks an article entitled "Arguments For and Against Federal Aid to Education," written by Hon. M. Vashti Burr, deputy attorney general of Pennsylvania, and published in the December 1947 issue of State Government, the official publication of the Council of State Governments.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

#### ARGUMENTS FOR AND AGAINST FEDERAL AID TO EDUCATION

(By M. Vashti Burr, deputy attorney general of Pennsylvania)

It is a fundamental concept of government in the United States that certain of the powers of government are of such intimate concern to the individual and to the community that they belong solely, and must remain solely, in the several States and their political subdivisions. Any control by the Federal Government over the exercise of those powers, to say nothing of the centralization of such powers in the Federal Government, must inevitably threaten or destroy local self-government or home rule.

In the absence of a responsibility directly imposed upon the Federal Government by the Constitution, the Congress should not appropriate enormous sums for recurrent subsidies to the States, on a continuing and ever-increasing basis, for purposes which are the direct concern and prerogative of the State and local governments. It is urged, and rightly so, that the States should finance their own needs with respect to functions of government that are primarily State and local. The national debt is nearly \$300,000,000,000, whereas the total indebtedness of the States does not greatly exceed \$2,000,000,000. The Congress of the United States has sufficiently heavy responsibilities in finding ways and means of reducing the national debt and paying the billions required for interest on that debt, of balancing the Federal budget, of adopting measures for the adjustment of Federal-State tax relations, of aiding in postwar adjustments in fields definitely within the scope of Federal responsibility, and of meeting the world-wide emergency which requires that we give such aid as we can toward relief and rehabilitation in other lands.

If State and local governments are to finance their own needs, they must not be deprived of sources of revenue which will enable them to help themselves. Recent and continuing studies concerning the possible ways of coordinating Federal and State taxation are evidence of the realization that one of the most important keys to the preservation of home rule is an equitable division of tax sources. By assuring that the States shall have adequate tax sources, the State can enlarge the taxing powers of local units of government. As stated by Gov. James H. Duff, of Pennsylvania: "By enlarging the tax base, local communities can more fairly distribute the cost of government and be enabled thereby to solve their local problems in the way that people want them solved at home."

The comments above apply generally to proposals which would have the effect of pyramiding Federal subsidies or grants-in-aid. Here let us consider one of the most far-reaching of the pending proposals, popularly referred to as Federal aid to education. This proposal, in one guise or another, has long been a source of controversy.

Among the more important of the numerous bills on the subject introduced in the Eightieth Congress are S. 199, introduced by GEORGE D. AIKEN, and S. 472, introduced by ROBERT A. TAFT, for himself and others, both bills referred to the Senate Committee on Labor and Public Welfare. The companion to S. 472 in the House is H. R. 1871, introduced by LAURIE C. BATTLE. However, the more active House bill on the subject during the first session was H. R. 2953, introduced by EDWARD O. MCCOWEN, which differed from the original S. 472 principally in that it set a different minimum allotment per child. The House Committee on Education and Labor deferred action on H. R. 2953 until



further inquiries could be made regarding the need for and desirability of such legislation. The avowed purposes of the proposed legislation, and its broad scope, are indicated in the titles of the Senate bills:

S. 199. To authorize the appropriation of funds to assist the States in more nearly equalizing educational opportunities among and within the States by establishing a national floor under current educational expenditures per pupil in average daily attendance at public elementary and secondary schools and by assistance to nonpublic tax-exempt schools of secondary grade or less for necessary transportation of pupils, school health examinations and related school health services, and purchase of non-religious instructional supplies and equipment, including books.

S. 472. To authorize the appropriation of funds to assist the States and Territories in financing a minimum foundation education program of public elementary and secondary schools, and in reducing the inequalities of educational opportunities through public elementary and secondary schools, for the general welfare, and for other purposes.

The comments in this review are directed primarily to S. 472, introduced on January 31, 1947. After extensive hearings, the Senate Committee on Labor and Public Welfare, on July 3, reported favorably on the bill, with various modifications.<sup>1</sup>

The modified S. 472 would authorize the granting of \$300,000,000 to the States for the fiscal year ending June 30, 1949, and a like amount for each fiscal year thereafter. Apportionment among the States would be based on a somewhat complex formula whereby, as explained in the Senate committee's report, the States would be required "to develop plans for guaranteeing a floor of \$50 per pupil in average daily attendance under expenditures in all local school jurisdictions within the State."<sup>2</sup> The United States Office of Education, a supporter of the proposal, has pointed out with respect to the bill: "Aid would be given primarily to public schools, but any State which contributed part of its own revenues to non-public schools could allocate a proportionate amount of Federal funds to such schools." The United States Commissioner of Education would administer the program.

The adoption of S. 472 would embark the Federal Government upon a permanent program of subsidies to the States, involving large expenditures of Federal funds, for the purpose of aiding, if not directing, the States in the exercise of functions which heretofore have been conceded to be the constitutional responsibility of State and local governments. Although the Senate committee, in its report, repeated many of the well-known arguments in favor of S. 472, it took the precaution to state: "The question of whether or not the Federal Government should estab-

lish a policy of financial assistance to the States for public elementary and secondary education was not at issue before the committee." In short, the committee washed its hands of the policy question.

Proponents and opponents of the proposed legislation both agree that educational opportunity in the United States today is unequal; that it is desirable for every child to have, so far as may be possible within the framework of our constitutional system, an equal opportunity to obtain a basic elementary and secondary education in adequately equipped classrooms; that there is an urgent need for improving the educational opportunities of children, the equipment of schools, and the occupational conditions of teachers in many areas of this country.

They also agree (and it is particularly important to bear this in mind) that the Federal Government has no constitutional power to control or supervise elementary or secondary education in this country. Local responsibility for, and control of, education is part of the bedrock of our American form of government. Proponents of the legislation are extremely careful to reiterate the assurance that Federal aid under S. 472 would not infringe in any way upon the prerogatives of State and local governments in the administration of their educational systems, and some have stated that any thought of Federal supervision or control is merely baseless emotionalism. Indeed, the bill itself purports to prohibit any department, agency, officer, or employee of the Federal Government from exercising any direction, supervision, or control over any school or any State educational institution or agency with respect to which any funds under the legislation are made available.

Proponents of the bill usually argue that "the States are not able to meet the financial load, help is needed, and the Federal Government must come to the rescue, having a responsibility for preserving the general welfare, education being naturally a vital factor in the general welfare"—or words to that effect. They argue that educational opportunity in America must be equalized and that the only way to accomplish this end is by the granting of Federal aid in such a way that disparities among the various parts of the country will be wiped out.

The United States Commissioner of Education, testifying in favor of S. 472, cautioned against Federal control of education, while at the same time insisting that only Federal aid would wipe out the educational disparities. He admitted that there is a possibility that "a system of education centrally controlled might be prostituted to propagandistic purposes of a political party in control of the Government."

Those who oppose the bill have called attention, on the other hand, to certain factors which cannot be ignored. Federal aid in the field of education is a particularly dangerous device. There is just cause for anxiety lest the proposal, if adopted, undermine the responsibility of State and local governments. It is inevitable, no matter how pious may be the declaration of principle in the bill and however well-intentioned in the inception, that Federal aid on a permanent, recurring basis as proposed would lead to some form of Federal administration, supervision, or control in the field of elementary and secondary education. This is clear from S. 472 itself. While the bill purports to throw safeguards around the constitutional prerogatives of the State and local governments, it would impose definite and essential obligations on the States receiving aid under the legislation, with the United States Commissioner of Education quite clearly having broad administrative powers.<sup>3</sup>

Legislation of the kind envisaged by S. 472 could not, in the absence of centralized control, genuinely equalize educational oppor-

tunity and hence would not achieve its avowed object. It is conceded that such control is not desired.

No stronger arguments against the proposal in S. 472 have been pronounced than by Senator Taft, himself, together with Senators Walsh, Ball, and Wherry, in the minority report concerning S. 637, similar in many respects to the present proposal and considered in a previous session.<sup>4</sup> For example:

"We do not subscribe to the doctrine that because our public schools and our educational facilities are a vital element in our national welfare, they thereby become the proper concern and implied responsibility of the National Government.

"Our schools are one of the few remaining bulwarks of local self-government and community enterprise. They should so remain."

In that same minority report it is stated:

"The bill, therefore, does not do the very thing which it is supposed to do. Equalization, as a matter of fact, cannot be secured except by complete Federal control and direction. Everyone agrees that complete Federal control and direction are worse than the inequality which now exists. \* \* \* Congress ought not to give away Federal funds to the States, with no Federal control over the spending of the funds. If on the other hand the Federal Government is to retain control over the expenditures and to dictate them, then it means Federal control of education \* \* \* an alternative equally obnoxious. There is no middle ground."

To contend that Federal authorities would continue indefinitely to administer a general program of Federal grants-in-aid for equalizing educational opportunities and facilities without participating more and more in the supervision of educational systems is wholly unrealistic. The history of governments refutes any such contention.

In any event, as pointed out in the above-mentioned minority report by Senator Taft and others, "Federal subsidies to the States for matters which are clearly not within the jurisdiction of the Federal Government are certainly not justified on the ground that the States are unable to finance adequately the activities which are constitutionally assigned to them."

Another factor that must be clearly understood, though not as important as the fundamental responsibility of local government, is that Federal aid of the kind which S. 472 would provide is not needed. That is not to deny that there are some areas in the country where there is great need for improvement in the school systems. However, there is no real evidence that the States, with the exceptions of those few areas, are unable to finance adequately their own educational programs. This proposal for Federal aid has not been initiated by the States themselves; that is, their duly constituted legislative and executive authorities. Moreover, in comparison with the National Government's Treasury, the State treasuries are in good condition. In nearly every State, education is given a prior consideration in allocating the funds which are available.

It is true that local government in certain regions of the country have found it difficult or have been unable to meet entirely the financial requirements of a high-standard educational system, the difficulties having been accentuated by the strains of war. However, that does not prove the need for a Federal dole. On the contrary, there has been a notable increase of activity on the part of the States within the past 3 years to mend their educational fences. For example, during the past year the legislatures in some 40 States have authorized increases amounting to about \$500,000,000 in State funds for schools. County, city, and town appropriations have been increased by about \$250,000,000 for the 1947-48 biennium. In addition, several State legislatures have appro-

<sup>1</sup> S. Rept. No. 425, 80th Cong., 1st sess.

<sup>2</sup> Under S. 472 as originally proposed, 23 of the 48 States would not have been entitled to any aid. The raising of the minimum from \$40 to \$50 per child 5 to 17 years of age in average daily school attendance, with a modified formula, has the apparent effect of making all of the States eligible. According to the figures set forth in the report of the Senate committee (No. 425, 80th Cong., 1st sess.) showing the grants-in-aid which States would be eligible to receive upon compliance with the conditions and obligations set forth in S. 472, the allotment of Federal aid would range from a low of \$135,000 in the case of Nevada to a high of \$22,825,000 in the case of North Carolina. The States which would be eligible to receive the major share (each approximately \$10,000,000 or more) would be North Carolina, Alabama, Texas, Georgia, Mississippi, Kentucky, Tennessee, South Carolina, Arkansas, New York, Louisiana, West Virginia, Pennsylvania, and Oklahoma, in that order.

<sup>3</sup> See particularly secs. 7 and 8 of S. 472.

<sup>4</sup> CONGRESSIONAL RECORD, October 14, 1943, p. 8392.



priated funds for commissions to study their State school needs. Some of the States have revised and strengthened their departments of education. In some instances the tax bases within the States have been broadened and governors have recommended study and revision of their over-all tax system to bring about, among other things, more adequate support of the schools. In a recent survey by the United States Department of Commerce it was shown that, on the basis of State budgets examined, there had been an average increase of over 28 percent in the budgeted expenditures by the States for schools.<sup>5</sup>

The States are profiting by past experience and are assuming their responsibility to an increasing degree. Certainly it has not been demonstrated that the States themselves have urged the Federal subsidization which S. 472 would provide. Even as to the comparatively few States, mainly in the South, which could receive the major part of the aid under S. 472, it cannot be shown that they are impotent to meet their educational problems when, during the past year alone, they have increased their State expenditures for education by well over \$100,000,000. The solution is not in subsidizing the States but in making it possible for the States to help themselves.

The formula provided by S. 472 for the allocation of grants-in-aid gives no assurance whatever that equalization can be accomplished in those States which are reputed to have the greatest need. In some of those States, in fact, equalization is contrary to their existing constitutions or traditional practices. Some of them have educational systems which are not well adapted to equalization of educational opportunity. An obvious example is that of segregation, with consequent duplications in the system. Perhaps it is not for the rest of us to tell the States having such a system to change it. At least, it is difficult to perceive how equalization could really be accomplished in such areas without virtual centralized dictatorship in education. Federal funds alone cannot correct errors in certain of the State school systems.

The aid contemplated by S. 472 is not genuinely needed. Through an adequate program of cooperation by the Federal and State Governments in adjusting their tax systems upon an equitable basis, and through other means, the States would be far better able to fulfill their responsibilities.<sup>6</sup> Then the Congress would not be harassed with proposals for ever-increasing Federal subsidies, and one of the principal threats to the preservation of local self-government in America would be removed.

<sup>5</sup> State budgets submitted in 1947, U. S. Department of Commerce.

<sup>6</sup> As an example of the greater potential advantages to be gained through an equitable adjustment of Federal-State tax relations, without subsidization of the kind proposed in S. 472, it may be pointed out that, although Pennsylvania taxpayers would pay at least \$30,000,000 to the Federal Government toward the administration of aid under S. 472, the return to Pennsylvania in the form of aid to elementary and secondary education would be only approximately one-third of that amount. On the other hand, the amount which Pennsylvania might obtain from its own tax sources if the 80 percent credit were allowed on the Federal additional estate tax, to say nothing of additional revenue which might accrue to Pennsylvania through a more equitable coordination of Federal and State taxation, would be expected to exceed three times the amount which Pennsylvania would be eligible to obtain under S. 472. Other States would stand to gain similarly, in varying degrees. In short, the States may gain more, in both tangible and intangible benefits, from a proper allocation of tax sources than from any allocation of grants-in-aid under S. 472.

It is entirely reasonable to point out that one of the best means by which the Congress could encourage the State and local government to finance their educational programs would be by reducing the nonessential Federal taxes for nonessential Federal expenditures.

It is a matter of great importance that the Congress consider what tax levies should be left to the States or should be divided with the States. The Congress has under consideration proposals relating to coordination of Federal and State taxation.

Meanwhile, there are several immediate objectives which could be accomplished. One of these is the proposal in H. R. 3653, introduced in the House by RICHARD M. SIMPSON, of Pennsylvania, during the first session of the Eightieth Congress, whereby the 80-percent credit now allowed against the Federal basic estate tax would be allowed also against the Federal additional estate tax. If such a proposal were adopted, the States would derive a considerable advantage, and one, moreover, to which they are eminently entitled. The field of inheritance and estate taxation is one which has always been recognized as of principal concern to the State governments. The increase in income to the States if the additional 80-percent credit were allowed would be considerable from their viewpoint. The slight effort upon Federal revenue from estate taxes would be more than offset by the increased ability of the State and local governments to finance their local needs.

The States, if given a chance, can finance those activities which are distinctly and constitutionally their responsibility. This can be accomplished without any semblance of undermining home rule in the field of education. "In any event," as stated by Governor Duff, "the people back home know better than anybody else what their problems are and how able and willing they are to pay to solve them."

Up to this point, there has been no comment regarding private and parochial schools. The constitutions and laws of nearly all of the States provide expressly against the use of public funds for any but public schools.

Federal legislation for educational grants-in-aid, particularly in the elementary and secondary fields, which would have the effect of bypassing State educational authorities for the purpose of giving Federal aid to private and parochial schools, could lead only to troublesome controversy. One hesitates, as a rule, to cite a dissenting opinion in support of a proposition; but truth is truth, wherever one may find it. Associate Justice Rutledge, in his dissenting opinion in the case before the United States Supreme Court involving transportation of parochial-school children in public-school busses in a New Jersey township, made the following remark which is well worth our serious attention:

"Hence today, apart from efforts to inject religious training or exercises and sectarian issues into the public schools, the only serious surviving threat to maintaining that complete and permanent separation of religion and civil power which the first amendment commands is through use of the taxing power to support religion, religious establishments, or establishments having a religious foundation whatever their form or special religious function."

Any proposal that would open the door, however slightly, to centralized supervision of basic education, to say nothing of making Federal funds available as a favor to religious educational institutions, even on a modest scale, is a proposal calculated to inspire strong mental reservations, especially among those who are genuinely concerned with the general welfare of the American people. Potential advantages to be gained in some

<sup>7</sup> *Everson v. Board of Education* (330 U. S. 1) (rehearing denied, 330 U. S. 855).

areas by a guaranty of \$40 or \$50 per child of school age are hardly a sufficient excuse for surrendering the heritage of unquestioned local control over elementary and secondary education.

Next to the right to worship as one sees fit—to have entire freedom of religion, free from any taint of political sponsorship, favor, subsidy, or coercion—there has been nothing closer to the hearts of the people of America than education and the determination to keep the educational system under vigilant local supervision, or under the watchful eye of "the people back home."

There seems to have been a tendency on the part of some proponents of S. 472, or of similar proposals, to refer to activities of the Federal Government in the field of education—especially aid for vocational education and rehabilitation, agricultural extension work, Indian schools, military and naval schools, school aid under land-grant legislation, aid to hospital training, veteran rehabilitation, etc.—and to compare these with the proposed aid under S. 472. There is no real comparison. Attempts to compare the proposal in S. 472 for so-called equalization in elementary and secondary education with such other types of aid are merely begging the issue.

However, we can derive a useful lesson from the experience with Federal aid under vocational education acts. They may offer a hint of ultimate experience under legislation such as that proposed in S. 472. We may cite, in this connection, the comprehensive article entitled "The Administration of Federal Grants-in-Aid to Education," written by the commissioner of the Connecticut Department of Education, a supporter of the Federal aid-to-education proposal.<sup>8</sup> Those who are interested may read the article. We shall quote only two excerpts:

"Of course, it is true that in any one of these items the Federal Government is in a position to deny the States funds if the concept of vocational education does not agree with that of the Federal Government. It is probable that each must embrace the concept of vocational education concurred in by representatives of the Office of Education. . . ."

"Again, it may be said that frequently the administrative rules and regulations devised by a bureau may extend farther than the congressional act intended. In other words, usually the congressional act allows considerably more leeway in the administration of federally allocated funds than the rules and regulations otherwise permit. Naturally, the Federal Government is concerned over the proper use of the funds allocated and, unfortunately, in many of our localities money emanating from an outside source is expended sometimes less wisely than the funds raised locally."

So we see that cooperation with the Federal Government in the administration of Federal grants-in-aid usually develops, and logically so, into a situation where the State's concept of education must agree with that of the Federal authorities.

#### CONCLUSION

The administration in any degree of elementary and secondary education in this country is not within the competence of the Federal Government and is not a proper subject for a permanent program of grants-in-aid on the basis envisaged in S. 472. Even while recognizing the Nation-wide concern in the improvement of educational opportunity in America, the potential byproduct of Federal intervention through a program such as that proposed in S. 472 are so much a threat to local self-government and home rule that not even the so-called national interest or general welfare is adequate justification for the adoption of such a proposal.

<sup>8</sup> State Government, August 1944, pp. 380 et seq.



There are other and better ways, in the long run, to accomplish the ends desired, one of the most evident being the equitable division of tax sources in order that State and local governments may be better able to help themselves.

Mr. SMITH obtained the floor.

Mr. CHAVEZ. Mr. President, will the Senator from New Jersey yield to me so that I may ask the Senator from Pennsylvania a question?

Mr. SMITH. I am glad to yield.

Mr. CHAVEZ. Can the Senator from Pennsylvania distinguish between the philosophy of Federal aid to highways and Federal aid to education? What is the difference?

Mr. MARTIN. Federal highway aid is pointed out as the best example of a proper arrangement between the Federal level and the State level; but regardless of the fact that it has always been stated that the States have full control, yet not a single road can be built without the approval of the road-engineering department of the Federal Government. In my own State, in the case of an access military road, the State of Pennsylvania paid a part of the expense. The Federal requirements, so far as grades and curves were concerned, made it cost the State of Pennsylvania almost as much as if we had built the road ourselves.

Mr. CHAVEZ. Will the Senator permit me to interrupt him once more, if the Senator from New Jersey will permit.

Mr. MARTIN. Certainly.

Mr. CHAVEZ. It may be even political treason, but please believe me when I say that I have the greatest faith in the integrity of the Senator from Ohio [Mr. TAFT], who is one of the sponsors of this particular bill. I believe that in his judgment he feels exactly the way the Senator from Pennsylvania does about local State government control, and I believe the same way. So when the Senator from Ohio and those who worked with him on the bill wrote the following language:

Nothing contained in this act shall be construed—

The bill does not use the word "may," but it says "nothing contained in this act shall be construed"—

to authorize any department, agency, officer, or employee of the United States to exercise any direction, supervision, or control over, or to prescribe any requirements with respect to any school, or any State educational institution or agency, with respect to which any funds have been or may be made available or expended pursuant to this act—

I trust the Senator from Ohio, because, as I have said, I believe in his integrity and sincerity of purpose and his intellectual honesty.

So I do not think the Federal Government will have any more to do with these funds, except to say that they shall be expended for the purposes for which they are appropriated.

Mr. MARTIN. Mr. President, I, too, have very great faith in the distinguished Senator from Ohio, and I sincerely hope that if this measure is enacted into law it will be interpreted in such a way that it will not interfere with local control.

But I am giving the example of roads, and I could give the example of health

and welfare and airports and many other matters with respect to which, when the Federal Government steps in, it does interfere with local control, because it makes certain restrictions before the funds it appropriates can be applied.

Mr. TAFT. Mr. President, if the Senator from New Jersey will yield to me, I should like to point out that the bills to which the Senator from Pennsylvania has referred were written, in my opinion, by persons who wanted Federal control, and they provided a wide discretion to Federal officers to give money or refuse to give money. They were written by persons who believed in Federal control.

This is the first State-aid bill—of recent years, at least—which deliberately prohibits Federal interference. The bill itself is completely affected.

The only danger, which I am quite willing to admit, is that in future years someone will try to use these appropriations as a means of imposing Federal control. That is a possibility.

My feeling has been that it is easier for me, at least, to stand on the ground that we will resist such control, than it is for me to stand on the ground that constitutionally the Federal Government has nothing to do with the welfare of a great many children who are not getting an education, and so absolutely refuse any Federal aid for that purpose.

I admit the danger; but it seems to me that if we establish, as we should establish, the principle that in State-aid matters the Federal Government is not going to control, we can stand on that line. That is the line I hope to stand on so long as I remain in the Senate.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. SMITH. I yield to the Senator from Vermont, if he wishes to comment on this point.

Mr. AIKEN. Let me point out the very distinct difference between the Federal Airport Act, the Federal Highway Act, and the proposed Federal Education Act. In the case of the Federal Highway Act and the Federal Airport Act and other acts of that nature, the Federal authority is expressly provided for and permitted. In the pending bill, Federal jurisdiction is expressly prohibited. Therein lies a very great difference.

The Senator from Ohio has pointed out a possible danger at some time in the future. I should like to say that that danger will exist anyway; and there is no more danger that a future Congress will permit Federal control to be exercised, through amendment, or interpretation of this proposed act, than there is that some future Congress will enact legislation giving Federal control over education. The danger is there in any case, and it is no greater if we enact this proposed legislation than it is if we do not enact it.

Mr. SMITH. Mr. President, as one of the sponsors of this bill, I desire to make a brief statement in support of it. As introductory to my statement, I wish to say that every point which has been raised by the distinguished Senator from Pennsylvania [Mr. MARTIN] has been very much on my mind all through the

hearings and from the time when we started this proposed legislation in the committee.

I am greatly troubled by the financial aspects; and it is conceivable that in a time of stress, such as the one we are in now, we may have to postpone the immediate application of the principle of this bill. That is a matter for the Appropriations Committee to consider this year in connection with the other expenses which confront the Federal Treasury because of the war situation and because of the imminence of the relief and rehabilitation program abroad.

Mr. DONNELL. Mr. President, will the Senator yield, to permit me to make an inquiry?

The PRESIDING OFFICER (Mr. HOEV in the chair). Does the Senator from New Jersey yield to the Senator from Missouri?

Mr. SMITH. I yield.

Mr. DONNELL. I call attention to page 5 of the report of the Committee on Labor and Public Welfare, the second full paragraph in larger type. I ask the Senator from New Jersey whether he agrees with the thought of this sentence which appears in that paragraph:

The question of whether or not the Federal Government should establish a policy of financial assistance to the States for public elementary and secondary education was not at issue before the committee.

Does the Senator agree with that statement in the majority report?

Mr. SMITH. I cannot agree with it just as it appears there, because I felt that we did very much consider that aspect. While that was not a primary issue before the committee, certainly, so far as I am concerned, the question as to the extent, if any, to which the Federal Government should participate in a project of this kind has always been an issue with me.

So from my personal standpoint, that particular sentence would not apply to my own thinking. To me, the question whether we should extend Federal aid, and if so, how, was an issue all the way through. That is why I wish to expound a little on that point, preliminary to the more carefully prepared remarks I am about to make on this bill.

Mr. DONNELL. Mr. President, does the Senator from New Jersey agree with me that the Committee on Labor and Public Welfare at no time excluded from its consideration the question of whether or not the Federal Government should establish a policy of financial assistance to the States for public elementary and secondary education? Does the Senator agree with me that at no time did we exclude that question from consideration in the committee?

Mr. SMITH. Yes; I agree as to that.

Mr. DONNELL. In other words, the Senator from New Jersey does not agree with that sentence in the report of the committee; does he?

Mr. SMITH. From a personal viewpoint, I do not, because that question has always been in my mind in connection with this proposed legislation. I think the Senator from Missouri feels the same way.

Mr. DONNELL. I certainly do.



Mr. AIKEN. Mr. President, will the Senator yield to me at this point?

Mr. SMITH. I yield, although I desire to proceed with my remarks.

Mr. AIKEN. Is it not a fact that the witnesses who appeared in opposition to the bill in the course of the hearings did not appear in opposition to Federal financial assistance to the States for the public schools at all, but practically all the argument, indeed, I believe all of it, was directed to other aspects of the proposed legislation which we had before us in the committee, with particular reference to the possible use by some States, at least, of Federal funds for assistance to pupils attending private schools.

The witnesses, as I recall—and I sat in the hearings for 2 weeks—practically raised no objection to assistance for public schools.

So in my opinion that sentence of the majority report is correct.

Mr. SMITH. Mr. President, there may be a difference of opinion in respect to that matter. Both the Senator from Missouri and I feel that we had in mind the issue of the extent, if any, to which Federal assistance should be given to the school systems.

Mr. AIKEN. Let me qualify my statement, if I may. There may have been one or two witnesses who objected to any assistance to any schools whatsoever. I do not recall that there were, but that was not the controversial matter which came before the committee. Practically every witness favored assistance to public schools, but there was a difference of opinion as to whether any assistance should be extended to pupils of private or semiprivate schools.

Mr. SMITH. I should like to make it clear at this point in the RECORD that so far as my own position is concerned, all the way through I have had great difficulty with the conception of any Federal aid at all to the school system of America. I am supporting this bill for reasons which I shall state, but that issue was always in my own mind, and I feel it ought to be made clear.

Mr. DONNELL. Mr. President, will the Senator permit me to make, not an extended statement, but a statement which I feel in justice to the Senator from Oklahoma, should be made at this point, very briefly? Will the Senator yield for that purpose?

Mr. SMITH. I am glad to yield.

Mr. DONNELL. Mr. President, I may say that the Senator from Oklahoma [Mr. MOORE] called to my attention only a few moments ago the contents of the sentence reading as follows:

The question of whether or not the Federal Government should establish a policy of financial assistance to the States for public elementary and secondary education was not at issue before the committee.

I think it should be noted in the RECORD that the Senator from Oklahoma, through his watchfulness and discernment, observed that sentence and called it to the attention of at least one Member of the Senate.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. SMITH. I yield to the Senator from Ohio.

Mr. TAFT. I think that is an incorrect statement.

Mr. DONNELL. Mr. President, if the Senator will yield, does he mean that the statement I made is incorrect?

Mr. TAFT. No; I mean the statement in the report that has been read. I think probably what was meant was that the question whether it was constitutional to establish financial assistance was not at issue. But certainly the policy of financial assistance was at issue before the committee.

Mr. DONNELL. Mr. President, with the consent of the Senator from New Jersey, I should like to say that, so far as one member of the committee was concerned, every question was open from the beginning of the hearings until the end of the hearings and until the final argument. Each member of the committee, of course, had his own particular points in mind, but I know of nothing at any time that was done by the committee to foreclose any member from bringing up any point, whether material or immaterial, in the consideration of the bill. I believe the Senator from New Jersey, the Senator from Ohio and the Senator from Vermont will corroborate that statement.

Mr. SMITH. I certainly will, Mr. President. I agree with what the Senator from Missouri says, because in my own mind it has been difficult for me to come to a decision on this broad matter of policy. I shall try presently to state my reason for coming to the decision which I have reached.

Mr. AIKEN. Mr. President, will the Senator from New Jersey yield for one moment more?

Mr. SMITH. I yield.

Mr. AIKEN. Mr. President, I wish to insist that the statement is correct. I refer to the following statement:

The question of whether or not the Federal Government should establish a policy of financial assistance to the States for public elementary and secondary education was not at issue before the committee.

I think that statement is correct. It was certain aspects of the bill which were at issue before the committee. The question of the policy of public assistance to public school institutions was established in this country more than a hundred years ago, and it has been recognized since that time. It was not the policy of Federal assistance to public schools about which the debate in the committee centered; it was the question of whether we should permit the expenditure of Federal funds to any extent to aid the pupils in attendance on private and semi-private schools. I do not recall anyone having appeared before the committee to object to Federal assistance to public education.

Mr. DONNELL. Mr. President, if I may ask a question of the Senator from Vermont, by permission of the Senator from New Jersey, I should like to inquire whether at any time the committee ever adopted any resolution or took any action foreclosing any member of the committee from considering any question with respect to the proposed legislation.

Mr. AIKEN. Absolutely not. Any member of the committee was free to question any portion of the bill or the entire bill itself at any time. As I recall,

the Senator from Missouri questioned section 6 of the bill and centered his objection around that section. I do not recall that the Senator from Missouri, although he will correct me if I am wrong, raised objection to the policy of Federal aid to public educational institutions.

Mr. DONNELL. Mr. President, I may say in that connection, by permission of the Senator from New Jersey, that the point on which I refused to join the majority in advocating Senate bill 472 was—

Mr. AIKEN. Section 6.

Mr. DONNELL. It was the fact that section 6, as I see it, permits the use of Federal funds for sectarian and private schools. I may say likewise that as I proceeded through the hearings I think the questioning of the witnesses will show that I personally, at any rate, was taking a rather active part in considering not only that question but numerous other questions from time to time, although I am free to say that when we arrived at the final point, in my present judgment I should have voted for the bill had section 6 covered what I considered was the fatal point of aiding sectarian and private schools. I do not by that statement mean to foreclose myself now from voting against the bill on any point which I may think would make it obligatory or needful or proper that I should vote against it.

Mr. AIKEN. Mr. President, I wanted to say that the Senator from Missouri took a very active and helpful part in the discussions and hearings which took place for 2 weeks before the subcommittee on education of the Committee on Labor and Public Welfare. But I should think the explanation which he has just given, the reasons for his opposition to the bill, based upon section 6, indicates that the sentence as written in the report is correct and that the question was not raised concerning the policy of financial assistance to the States for public elementary and secondary education. That was not the issue. Practically all the controversy centered around section 6. There were other parts of the bill, of course, as to which there were differences of opinion, but I do not recall that the question of Federal assistance to public schools entered into the discussion to any extent.

Mr. DONNELL. Mr. President, the Senator may quite agree as to what the discussions centered upon, and to the point that was primarily at issue, but the point I am making is that just as in the case of a lawsuit, when a petition is filed and a general denial is filed to the petition, every question, unless some rule applies which provides otherwise, generally speaking, is open.

As I see it, before the committee, when the bill was presented, there was not the slightest action by the committee which would remove from consideration any question whatever directly or indirectly; so that every question was before the committee at all times and never has been removed from the issues in the case, and is not now removed from the issues in the case in the present debate on the floor of the Senate.

Mr. AIKEN. The Senator is completely correct in his statement, but as I



said, the discussion centered around certain aspects of the bill itself.

Mr. DONNELL. I think that is correct.

Mr. MOORE. Mr. President, will the Senator yield?

Mr. SMITH. I am glad to yield to the Senator from Oklahoma.

Mr. MOORE. I raised the question the Senator from Missouri brought up only with respect to the statement contained in the report, because I thought that was the fundamental question, of whether we should engage upon a policy of Federal aid to public schools. The report further states, in conformity with the view the Senator from Vermont seems to entertain, that we have always been engaged in furnishing aid to the schools. The report says:

From the beginning, the Federal Government has encouraged education through various types of grants-in-aid.

I only want to inquire now what that consists of.

Mr. AIKEN. It refers to State agricultural colleges, and to what else?

Mr. MOORE. I do not know of anything except—

Mr. SMITH. I assume the Senator has in mind the land-grant policy and aid of that kind.

Mr. MOORE. The State of Oklahoma, for instance, grants a certain area of land for school purposes in lieu of taxes which could not be levied upon the restricted lands in the Indian territory. They are public lands. Further than that I do not know.

Mr. AIKEN. Public money has been given for the education of boys and girls for a long time.

Mr. MOORE. For a hundred years?

Mr. AIKEN. It goes back to the land-grant colleges. I do not know whether it has been for a hundred years. I used that time very roughly.

Mr. MOORE. From the beginning the Federal Government has aided schools by various aids and grants. I wanted to know what they were.

Mr. AIKEN. The Senator from Vermont is not quite sure as to the beginning of that policy.

Mr. MOORE. The Senator from Vermont does agree that the Federal Government has adopted a policy of aid to public schools, does he not?

Mr. AIKEN. Yes; to public-school institutions.

Mr. MOORE. I do not know when that policy was adopted.

Mr. AIKEN. That policy did not enter into the discussion before the committee to any extent; or, if it did, it was to a negligible extent.

Mr. MOORE. I assume, from the way the report reads, that the question of policy had already been settled, and it was only the means of granting the aid that was discussed.

Mr. AIKEN. I have been informed that the policy of Federal aid to public schools goes back to the eighteenth century. I hope the Senator from Oklahoma will not ask me to explain at this time in detail what that aid was.

Mr. MOORE. I should like to know.

Mr. DONNELL. Mr. President, will the Senator from New Jersey yield?

Mr. SMITH. I yield to the Senator from Missouri.

Mr. DONNELL. I think, if Senators desire to know the history surrounding the Ohio Co. they will find in the records of the Committee on Labor and Public Welfare a very extensive 50- or 52-page small-type report on the subject, which will be very enlightening, though probably somewhat dull, to read.

Mr. AIKEN. Mr. President, I suggest that the Senator from Oklahoma obtain that report, read it, and digest it.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. SMITH. I yield.

Mr. WHERRY. Mr. President, while it is our hope that amendments will be brought up today and voted upon, there are several Senators who would like to speak on the bill. May I humbly suggest to Senators who have amendments that they get them ready and present them to the Senate this afternoon so that we can at least gain ground by that type of procedure? When the amendments are out of the way, Senators who desire to speak on the bill can do so. Of course, they can speak any time they so desire. I suggest to all Members of the Senate, with that idea in mind, that there possibly will be this afternoon some votes on amendments to the bill.

Mr. SMITH. Mr. President, as I stated previously, after the Senator from Pennsylvania [Mr. MARTIN] had completed his remarks, I was in entire sympathy with the points he made. The first of those points has to do with the danger of increasing Federal expenditures. As we say, if the camel gets his nose under the tent, he finally pushes in his whole body. That is a danger which we have to watch carefully. It was very difficult for me to approve this type of legislation, but I had to contrast that danger with what I felt was a more paramount issue, namely, a greater floor of education for every child in America. I realized that there was a certain area in this country which had not been able to give such education to every child, so I came to the conclusion that I should support this proposed legislation as an evidence of the insistence of the Federal Government on a minimum of education for every child born in the United States or educated in the United States.

On the second point, Federal control, I should like to ask unanimous consent to insert in the Record at this point, to emphasize another reason for supporting the bill, the full text of section 2 of the bill. The Senator from New Mexico [Mr. CHAVEZ] read a portion of the section, and I should like to put the full text in, because the committee has taken great care to see that the whole subject of education is a matter of local control and direction by the States and that the Federal Government has no part in the expenditure of the funds except the one condition that the level of education shall be raised to at least \$50 per child—which is low enough, God knows—for every child in the country.

There being no objection, the text of section 2 of the bill was ordered to be printed in the RECORD, as follows:

SEC. 2. Nothing contained in this act shall be construed to authorize any department, agency, officer, or employee of the United States to exercise any direction, supervision, or control over, or to prescribe any requirements with respect to any school, or any State educational institution or agency, with respect to which any funds have been or may be made available or expended pursuant to this act, nor shall any term or condition of any agreement or any other action taken under this act, whether by agreement or otherwise, relating to any contribution made under this act to or on behalf of any school, or any State educational institution or agency, or any limitation or provision in any appropriation made pursuant to this act, seek to control in any manner, or prescribe requirements with respect to, or authorize any department, agency, officer, or employee of the United States to direct, supervise, or control in any manner, or prescribe any requirements with respect to, the administration, the personnel, the curriculum, the instruction, the methods of instruction, or the materials of instruction, nor shall any provision of this act be interpreted or construed to imply or require any change in any State constitution prerequisite to any State sharing the benefits of this act.

Mr. SMITH. With that preliminary statement, I should like to present to the Senate my reasons for supporting the bill and what I feel is the basic issue.

Mr. OVERTON. Mr. President, will the Senator yield?

Mr. SMITH. I yield to the Senator from Louisiana.

Mr. OVERTON. The Senator has just inserted in the RECORD section 2 of the bill, has he not?

Mr. SMITH. Yes; to emphasize my insistence on control by the States.

Mr. OVERTON. That is the section is it not, which denies to the Federal Government any interference with the administration of the school systems in the various States?

Mr. SMITH. That is correct.

Mr. OVERTON. If this bill should pass and \$300,000,000 should be distributed among the various States, and at the next session or at a later session of the Congress the law should be amended so as to withhold any aid from any particular State which should discriminate in the administration of its funds on account of race, color, or nationality, we would be confronted with the situation that \$300,000,000 would be raised by taxes on the people throughout the United States. Some of the States might say, "With that provision in the law we do not wish any Federal aid." The Senator will agree with me that that is not an unreasonable supposition. The people of those States would be taxed for Federal aid, and would derive no benefit.

Of course, the answer can be made that they can derive benefit by subscribing to the new exaction. But, by subscribing to the new terms, they would violate their own conceived and fixed notions with respect to mixed schools, and they would violate the traditions of the people of those States, which they would be unwilling to do. Then they



would be left, would they not, in rather an unhappy situation? They would be taxed without any benefits. That is the danger of the whole system. The bill itself is all right, and I would gladly support it if there were a constitutional provision which would make section 2 the law of the land which could not be changed without another constitutional amendment. But as it now stands, it lies within the power of any Congress to change it at any time.

I think the Senator will agree with me that, considering the influence which certain minority groups have in this country today, an influence which extends into the Congress of the United States, it is not at all improbable that at the next session of the National Legislature there may be an amendment such as I have described proposed and adopted by a very substantial majority.

Mr. SMITH. If I may interrupt the Senator there, as the Senator from Ohio [Mr. Taft] said, that is the reasoning back of any legislation of any kind. Of course, without any legislation opportunity is always presented to the next Congress to pass legislation to do the very thing to which the Senator objects.

Mr. OVERTON. That is a grave danger which absolutely confronts States which will not subscribe to such a rule of administration of their schools. They are caught in a trap and cannot escape. Congress has passed a law taxing them to make them pay their portion of the \$300,000,000 per annum, and yet they cannot receive any benefit from the proceeds of the taxes thus derived.

Mr. SMITH. That might be a reason in the Senator's mind for opposing the bill.

Mr. OVERTON. It is a reason.

Mr. SMITH. I may say to the Senator that I supported a principle of the bill that what Congress is proposing to do is to aid those areas which cannot afford to give educational opportunities to children at least meeting the floor provided by the bill. I knew that when I supported that theory of the bill my State would not profit one cent. I took the matter up with the educational authorities of New Jersey, and they indicated that they were perfectly willing that I should support a bill under which New Jersey citizens would pay, even though the State would not receive a cent of benefit. I think that is a sound approach, an endeavor to help in the areas where the poorest children cannot get the equality of opportunity to which they are entitled. I shall support a provision like that until I am instructed by my constituents to do otherwise. They have told me that they believe in that principle, if we can raise the standard of education in other sections of the country, even though our own State at the moment does not need assistance along that line. I mention that to show the Senator that it is not necessary for every State to be benefited to justify the State's representatives in supporting the proposal.

Mr. OVERTON. But the idea was to give assistance to those States which were less able financially than the average State to supply proper instruction to the children of the State. If such an

amendment as I have indicated should be adopted, the poor States would be made poorer, because they would have to continue to pay from insufficient revenues to keep the program going, when they could not accept the conditions which were newly attached to their taking advantage of it.

Mr. SMITH. As I told the Senator previously, I am opposed to the Federal Government attaching conditions, except that the Federal funds shall be used without discrimination. That is the only condition I think would be justified, and that is a perfectly proper condition.

Mr. OVERTON. I understand the Senator's position, and I compliment him on it. The bill would be a magnificent measure if we could be assured that that would be the position of a majority of the Congress for years to come. Unfortunately, however, I look with apprehension to the future, because pressure will be brought to bear in an effort to provide that whites and Negroes shall be educated together in the schools. Certain States—and they are the poorer States unfortunately—are not going to submit to that. They are going to forego the aid, and they will forego the benefits of a program for the maintenance of which in the remaining States they are being heavily taxed. That is in brief my objection; and I cannot support the bill.

Mr. SMITH. The Senator would not say, would he, that a provision like that is contained in the pending bill?

Mr. OVERTON. No; the bill itself would be magnificent, if we could be assured that it would not be amended.

Mr. SMITH. Mr. President, I am supporting the bill as it is, because I think it is sound, and I think it meets the objection the Senator has raised.

UNIVERSAL EDUCATION IS NECESSARY TO SOUND DEMOCRACY

The great need for public education as an instrument of national and international policy today cannot be exaggerated; for first of all the integrity—perhaps the very existence—of our democratic government depends on the enlightened participation of its citizens. In turn, the friendly and freedom-loving nations of the world are looking to us for some promise of escape from the grim oppression which has overtaken some of their less fortunate neighbors.

Never during a time of peace has our democratic society been faced with graver decisions. It has now become obvious that communism is a menacing threat to our survival. The years which lie in the immediate future will determine how we maintain our place in the world as a leading independent national state. If we do so with any credit, the very first requisite will be to demonstrate conclusively to the world that we are determined to resist every possible threat to our freedom and security, and that, God being our helper, we have the strength to do it, the kind of strength which can derive from only one source—a healthy, vigorous, growing democracy, full of all the power and vitality which it inherits from our magnificent American tradition, and the giants of wisdom who gave it shape and substance.

The essential quality of this tradition, and that which breathes into it the very life and energy by which this Government of, by, and for the people persists and grows great, is the active informed participation of the people themselves. Shall we not, then, make sure that every potential citizen has within his reach those opportunities which will fit him for such participation? That, in a word, is the intent and purpose of the pending bill.

The tradition of which I speak is not matched by that of any other country in the world, and its unique character bespeaks a special role for public education in the growth of our national life.

To make a simple analogy, our democracy may be likened to a three-sided pyramid. It is founded on the broadest principles of the rights of States and peoples, pointed up by a Federal Government at the top which caps but does not control their several functions. The whole is encompassed with three sides, which may be thought of as corresponding to our political institutions, our economic system, and the social ideals which are peculiar to our people.

This democracy of ours is thus a solid structure. It is essentially simple in design and compact in form. It is massive and it is built for all time.

But it will be observed that this noble pile requires an immensely broad and solid foundation to achieve such ideal permanence. Such a solid base we have in the voice and spirit of the people, our citizens; and it is with the quality, character, and strength of this foundation, the people, that the enactment of the pending bill is concerned. Can there be any doubt of its necessity?

If there were any such doubt, only consider the intimate relationship which public education bears to the democratic structure as a whole.

EQUALITY OF OPPORTUNITY IS FUNDAMENTAL

The most sacred right of the people is equality of opportunity, which may be regarded as a property belonging to the fixed and intimate relationship of our three components of democracy—political institutions, social ideals, and an economic system of free enterprise. For what would be the meaning of opportunity in a society without competition and free enterprise to furnish incentive; or in a government where the rights of free citizens were not protected by political democracy? Equality of opportunity is absolutely inherent in the pattern of our whole life, and it is the prime mover behind the rise, the growth, and the expansion of our Nation. And the life spirit of equality of opportunity has been from the beginning, and is now, the system of public schools—the basis of learning, available to all, by which they may realize these opportunities.

Parallel with equality of opportunity are the rights and responsibilities of the individual. Public education for a strong democracy is therefore twofold: training for the individual so that he may make the proper personal adjustment in his society, and training for sound citizenship, which fits the individual for honest and intelligent participation in Government and public affairs.



This dual nature of education in our system envisions at once the opportunities which democracy provides, and the responsibilities which it entails.

Thus, at the basis of our whole democratic structure lies public education. It is inherent in our system and has been fundamental in the evolution of our free society built on mutual respect of all groups one for another, with a minimum of class distinction. It has served us well in the past and it is equally essential to the future growth of democracy and the well-being of our Nation.

#### THE SHORTCOMINGS OF PUBLIC EDUCATION TODAY

When we consider what a vital role education plays in our democracy, and the special significance it takes on in the highly volatile world of today, and then consider the appalling state to which public education has declined, we are frankly alarmed. Throughout the Nation, moneys allotted for educational facilities and for teaching talent are critically low. Rising costs of living have made the plight even more desperate. World War II has dislocated a tremendous number of well-qualified teachers, who simply cannot go back into their own profession because of inadequate salaries. At the same time, a great influx of students under the GI bill of rights has put an impossible strain on the teaching profession as a whole. Primary and secondary schools have felt the impact of all these factors, and without some immediate remedy the outlook is dark indeed.

For numerous reasons, the States individually are not able to provide a minimum education on the desired basis of equalization. There are wide variations, which result in unhealthy discrimination. Many States have a much larger population of children per capita than others. Mr. President, I am now summing up, as it were, the testimony which was given to the committee in connection with this very important subject. Wartime industrial mobilization has dislocated vast numbers of people, who remain concentrated in centers far from their origin. The more wealthy States are meeting a comparatively high standard, on the average, with a relatively small percentage of their income. Still, there are districts in every State where the educational facilities leave much to be desired.

I may say in passing that in my own State of New Jersey we have a very high standard of education, but there are many areas in our State which need equalization of facilities, and that is one of the problems we are facing today. On the other hand, it is a paradox that the less wealthy States are spending a much higher percentage of their income for education, and have the poorest schools in the country. They are making the greatest effort of all, but in spite of that, they are unable to provide a decent minimum of education. Nothing but Federal aid—and I have become convinced that this is a fact—furnished on a sliding scale such as that provided in the pending bill, will establish a solid floor for such a minimum.

To underline this conclusion, we have only to recall that the variations in dollars spent on each student in different school systems has the astonishing range

of 60 to 1; great variation occurs not only from State to State, but from district to district, within States. The reasons for this inequity are to be found largely in local taxation. All States have limited tax resources, compared to those of the Federal Government. It is imperative that Federal aid be provided to insure a decent minimum, where that minimum cannot be maintained otherwise.

I may say in passing that the suggestion made by the distinguished Senator from Pennsylvania [Mr. MARTIN] that less money should be drained from the States into the Federal Treasury, and thus leave more money in the States to take care of their needs, would have my hearty accord. I would be in entire sympathy with such a policy. At the present time the Federal Government has the largest call on the greatest sources of taxation, and therefore it seems to me that the States must receive Federal aid in order to maintain a decent level of education until we find a more effective solution. We cannot wait for the adjustment of our tax picture to educate our children. The children must be considered now.

Another matter of grave concern to our Government is that, in this modern age with a highly mobile populace, ignorance and illiteracy are very contagious. They spread rapidly from the area of their origin to infect the whole Nation, and nothing but a general curative can remedy this ailment. Every State is dependent on every other State for protection against the infection of ignorance, as surely as they are for the efficiency of interstate commerce. We are bound together intellectually as well as economically—spiritually as well as materially.

There is superabundant evidence and testimony, in short, to show that the necessity for Federal aid is a foregone conclusion. It is now only a matter of how to furnish such aid in a way which is incompatible with the ideal relationship between the State and Federal Governments in our Republic.

#### EDUCATION FOR DEMOCRACY A FEDERAL RESPONSIBILITY

If, as we have seen, universal education is the very basis of democracy; and if, as we have also seen, our own country is conspicuously inadequate in that respect, then it is obvious that the Federal Government is responsible for bringing the general level of education up to the average national level, at the very least. Our youth are not only citizens of States, they are citizens of America. If some States are unable to furnish every one of its children an education which is deemed to be an adequate minimum based on national standards, then the Federal Government must grant sufficient aid to raise those States to the national level. In the bill we are speaking, as I said before, of a \$50 minimum for each child. Not to do so is to belie our allegiance to the democratic principles of government. Equality of opportunity must be guaranteed; our national defense must be maintained; the social ills attendant upon vast shifts of people from impoverished areas must be guarded against. These are all issues

of national significance, and the Federal Government is the only agency capable of solving them.

A very specific instance of Federal responsibility in this matter comes to mind in connection with minority groups. For example, we have a large Negro population scattered throughout all the States. Now, when the Federal Government bestowed citizenship on the Negro, it accepted a corresponding responsibility. Not the least of these is education for democracy; and the present bill has provided for carrying out this responsibility to the Negro as to all minority groups.

#### AUTONOMY OF STATES GUARANTEED

Granted that the Federal Government must provide aid to the States for primary and secondary education, the question arises as to what part the Government should have in the administration of such money, and what specifically can be done with it. We have already discussed this point before my main address began, but I want to stress it again.

In my opinion, the answer to that should be left for the States to decide, so long as it is spent for education. This is in strict accordance with the unassailable principle upon which the bill is founded: the autonomy of State and local control. Adherence to this principle not only recognizes the traditional sanctity of home rule but takes into account the fact that the whole character of education and its administration differs widely from State to State and from region to region. The bill contains a positive prohibition against the impairment of State's rights, and of local or State control over public elementary and secondary education. That is in section 2, which previously I asked to have inserted in the RECORD as a part of my remarks. At the same time, its provisions are so carefully wrought that all the variations in systems—in administration, in methodology, and the relation of private to public schools—are carefully respected.

It is proposed that funds be turned over to the State on a fair and objective formula, designed to supplement State revenues as needed; and the expenditure of this money is left entirely to the legal requirements and established school administration of the State. The only restriction on the method of distribution is, briefly, that the State must establish, in each district, a minimum floor of \$50 per annum for each child in attendance. That is the great, over-all objective of the bill—a minimum floor. There is no further provision in the bill determining how the money is to be spent. It is not within the discretion of any Federal agency or official to pay or withhold money on a discretionary basis. The only responsibility of the Federal Government is to see that the money is not spent in violation of the law. This is guaranteed by means of an audit, by which the State must certify that each child is being provided the \$50 minimum.

There is nothing in the bill by which the Federal Government could possibly exert any control or influence over curricula, personnel, or methods. All we seek to do is to help the States operate their own school system.



I emphasize this point of States' rights, and the undesirability of Federal control in this program, because this principle is the very core of the whole subject of Federal aid to education, and must be maintained against any encroachments whatsoever. That is the danger in any legislation of this kind, and I cannot overemphasize now, as we are discussing the bill, the importance of that principle.

I do not say that the bill is perfect. No doubt, certain abuses will arise. That remains to be seen and is to be expected in any undertaking such as this. But we are on sound ground when extending aid for education, without control, rather than not to give it at all.

To sum up: The need for Federal aid to education is no longer in doubt. The prevailing inequality of opportunity must be corrected. It is a threat to our economy, our national security, and to our position as a world leader. This condition cannot be corrected by the States independently, because of economic factors beyond their control. Danger to the national welfare is heightened by the migratory tendencies of our people. It is therefore evident that if the Federal Government is to carry out its responsibilities to the States and to the people it is imperative to enact legislation for Federal aid to education now.

Education must not be left at haphazards. As things now stand, there is a better-than-average chance that many children born in America will be underprivileged in their education, if they receive any schooling at all. We must wipe out these educational slum areas throughout our country. Education is everybody's business. We cannot gamble on the future of our Nation by leaving our children to chance. With a decent minimum education they will build a sound America. Without it, they will not only fail in their own responsibilities as citizens; they will be high-potential recruits for subversive agitators who will foster in them the belief that the world has cheated them out of their birthright, and that the only remedy is violence and anarchy.

Certainly the money involved in this program could not be better invested. What happens to America depends on the intelligence of its people. In the immediate years ahead we will be faced with grim problems, domestic and foreign, of such great moment that we shall survive or perish on their outcome. It is inconceivable that these problems should be inherited by children whom we have left to chance. If we, of the present generation, about to turn over control to future generations, have respect for ourselves, or a sense of responsibility for our children, we must certainly give them the opportunity to learn those things which they must know if they are to escape calamity, and to build soundly for the future of free men and women.

Mr. COOPER. Mr. President, I speak in support of the pending measure, entitled "The Education Finance Act of 1948" in whose sponsorship I joined last year with other Members of this body.

At the outset I should like to say that great credit should be given to the distinguished chairman of the Committee on Labor and Public Welfare, the senior

Senator from Ohio [Mr. TAFT], for the leadership and constant support that he has given to the development of this measure, and to the members of the Committee on Labor and Public Welfare, who, under the able leadership of the distinguished senior Senator from Vermont [Mr. AIKEN], spent weeks in its consideration and preparation.

The passage of S. 472 will give immediate and needed support to the schools of my State, Kentucky. I am happy that the schools of Kentucky will receive aid; but I would support this measure even if Kentucky did not share largely in its benefits. I support it because it gives meaning and effect to a fundamental principle of our governmental and economic system, the principle of opportunity.

In recent years the Government of the United States has placed great emphasis upon the concept of security. The shift from an agricultural to an industrial economy has raised complex questions concerning the economic life and opportunity of many people. One of the difficult tasks of our society is to find the means to promote and protect the economic well-being of the people without imposing governmental controls which would destroy incentive and responsibility, and which would ultimately limit and constrict the political and spiritual freedom of the individual.

I recognize and give support to the concept of security in our society, but I believe strongly that it should be supplementary to and not prior to the concept of opportunity.

It is encouraging to note that, after these years in which security and the power of the State have been overemphasized, we are today considering a measure which gives emphasis to opportunity and to the capabilities and infinite possibilities of the individual.

The evidence heard by the Committee on Labor and Public Welfare makes it clear that the inequalities of educational opportunity existing in this country are limiting the full equality and freedom of opportunity which is one of the ideals of our political system.

We take great pride in the public, private, and sectarian schools, the colleges and universities, the buildings and equipment which mark our interest in education. This year we shall spend approximately \$4,244,000,000 for public education, a sum larger than any other nation will spend. These physical evidences of our educational system are not too reassuring when we remember that 1,200,000 men, representing 8 percent of all those examined for selective service during the war, were rejected because of educational deficiencies.

This shocking proof of the inadequacy of American education is further confirmed by facts which have been developed from census records, and from careful and objective studies made by the Senate Committee on Labor and Public Welfare, the National Education Association, and other organizations, private and public.

Many of these facts have been ably presented by other Members of the Senate, and I shall not repeat all of them. They do not require interpretation. They speak for themselves.

The Federal census of 1940 disclosed that 10,000,000 adult Americans had less than 5 years of schooling. The census of 1945 disclosed that 4,000,000 children between the ages of 5 to 17, inclusive, and 2,000,000 children in the usual school brackets of 6 to 17, inclusive, did not attend any school.

In proportion to population, the largest number of adults and children of school age in the three groups which I have mentioned reside in low-income States.

The defects in our educational system give reasons for the fact that 10,000,000 adults in the Nation have less than 5 years' schooling; that 1,200,000 young men were rejected for military service because of educational deficiencies; and that millions of children are not attending any school today. They are not temporary in their nature. They exist today. They are found in substandard equipment and facilities and in substandard teaching.

It is estimated that 1,000,000 children of the total attending school today are in schools whose expenditures for teaching services, supplies, transportation, and health are wholly inadequate, and that 2,000,000 are instructed by teachers who are inadequately prepared.

The most striking proof of the defective and precarious structure of our educational system is dramatically demonstrated by the fact that thousands of teachers are leaving the teaching profession because we cannot or will not pay them decent salaries.

In the school year 1946-47, when the cost of living was beginning its advance, 54 percent of the teachers in public schools were paid less than \$2,000, and 16 percent were paid less than \$1,200 a year.

There are 120 counties in my State. In the year 1946-47, when Kentucky was spending a greater percentage of its total revenues on education than many of the wealthier States, the average salary for teachers in 31 counties was less than \$1,000 a year. In 50 counties it was greater than \$1,000 but less than \$1,200 a year. Only 39 counties were able to pay their teachers more than \$1,200 a year.

The places of teachers who are being forced to leave their profession because of disgracefully inadequate pay are being filled by teachers with substandard preparation.

One of the findings obtained by the New York Times in a recent educational survey was that 109,625 of the 878,145 teachers of the Nation are serving on emergency or substandard certificates. In the school year 1946-47, 5,229 teachers, representing 39 percent of Kentucky's 18,164 public-school teachers, were not regularly qualified, but taught under emergency certificates. Two hundred and twenty-five thousand of the five hundred and sixty-nine thousand school children of the State were in their classes.

Great credit must be given to emergency teachers who have kept open schools that might otherwise have closed, but their unselfish service does not excuse the failure to pay salaries that will hold qualified teachers, give incentive



to emergency teachers to qualify themselves, and advance the standards of teaching.

There is something wrong with an economic and social system which makes better provision for men and women in labor, industry, or other professions, than for those who have made great sacrifice in time and money to prepare themselves to teach the youth of the Nation.

Carlyle said, "A university is a collection of books." The statement might be paraphrased to read "A school is a collection of books and a teacher." There can be no schools without teachers who are prepared, whose work is honored, and who are sufficiently secure to devote their interest and their lives to their profession.

These deficiencies of teacher training, equipment, and facilities are not general and uniform among the States, or even within the States.

They exist in the low-income States of the Union, States whose economy is based upon agriculture and the production of raw materials, and whose total wealth and tax structure cannot provide the revenue required for the adequate support of education. The task of many of the low-income States is made more difficult because they have more school children per thousand of population than do the richer States.

On last Wednesday my good friend the distinguished junior Senator from Louisiana [Mr. ELLENDER] made a very able speech in support of the pending measure. In his speech he discussed exhaustively the inequalities of educational opportunity existing between the States, and the local factors of population and wealth which contribute to those inequalities. With his permission, I desire to introduce into the RECORD several tables of statistical information which support the fine argument made by him.

At this point, I ask unanimous consent to have printed in the RECORD as a part of my remarks, three tables.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

TABLE I.—Number of school-age children per 1,000 population

United States.....	216
District of Columbia.....	160
West Virginia.....	281
New Mexico.....	280
South Carolina.....	274
Alabama.....	270
North Dakota.....	270
North Carolina.....	266
Mississippi.....	263
Arkansas.....	259
Kentucky.....	256
Georgia.....	252
Tennessee.....	249
Oklahoma.....	247
Utah.....	247
Idaho.....	241
South Dakota.....	239
Louisiana.....	239
Maine.....	231
Virginia.....	229
Vermont.....	228
Texas.....	225
Montana.....	224
Pennsylvania.....	222
Michigan.....	221
Nebraska.....	221
Wisconsin.....	220
Wyoming.....	220

Iowa.....	217
Minnesota.....	217
Indiana.....	215
New Hampshire.....	214
Arizona.....	211
Colorado.....	210
Kansas.....	210
Ohio.....	207
Maryland.....	205
Delaware.....	202
Missouri.....	201
Massachusetts.....	197
Illinois.....	196
Rhode Island.....	194
Connecticut.....	194
New Jersey.....	192
Florida.....	192
New York.....	188
Nevada.....	185
Oregon.....	185
Washington.....	180
California.....	172

TABLE II.—Total income subject to taxation, by States

[1945 total income payments (millions)]

United States.....	\$155,201
Alabama.....	2,021
Arizona.....	594
Arkansas.....	1,218
California.....	13,649
Colorado.....	1,271
Connecticut.....	2,635
Delaware.....	393
District of Columbia <sup>1</sup> .....	1,263
Florida.....	2,420
Georgia.....	2,445
Idaho.....	525
Illinois.....	10,695
Indiana.....	4,102
Iowa.....	2,375
Kansas.....	1,908
Kentucky.....	1,957
Louisiana.....	1,986
Maine.....	847
Maryland.....	2,664
Massachusetts.....	5,631
Michigan.....	6,799
Minnesota.....	2,614
Mississippi.....	1,205
Missouri.....	3,776
Montana.....	555
Nebraska.....	1,333
Nevada.....	210
New Hampshire.....	460
New Jersey.....	5,933
New Mexico.....	448
New York.....	20,295
North Carolina.....	2,621
North Dakota.....	566
Ohio.....	9,114
Oklahoma.....	1,801
Oregon.....	1,631
Pennsylvania.....	11,376
Rhode Island.....	956
South Carolina.....	1,303
South Dakota.....	598
Tennessee.....	2,443
Texas.....	6,527
Utah.....	649
Vermont.....	331
Virginia.....	2,829
Washington.....	3,052
West Virginia.....	1,472
Wisconsin.....	3,418
Wyoming.....	287

<sup>1</sup> District of Columbia: Data for the District have been included in order to present a complete statistical summary of continental United States. However, the District figures should not be ranked or similarly compared with the States.

<sup>2</sup> Adjusted to represent income payments on a "State of residence" basis rather than on a "State of recipients' employment" as given in original report.

Source: U. S. Department of Commerce, Bureau of Foreign and Domestic Commerce, Survey of Current Business, August 1947, pp. 22-23.

TABLE III.—Current expenditures per pupil of average daily attendance for public education, 1944-45 school year

United States.....	\$125.41
District of Columbia.....	161.02
Highest 12 States:	
New Jersey.....	198.33
New York.....	194.47
Illinois.....	169.02
Massachusetts.....	166.67
Wyoming.....	164.84
Montana.....	163.42
California.....	163.38
Washington.....	159.78
Connecticut.....	159.50
Nevada.....	155.88
Rhode Island.....	148.96
South Dakota.....	144.62
Second 12 States:	
Oregon.....	144.56
Minnesota.....	144.29
Wisconsin.....	140.41
Ohio.....	138.25
Pennsylvania.....	137.00
Delaware.....	133.05
North Dakota.....	132.55
New Hampshire.....	131.48
Indiana.....	131.29
Kansas.....	130.85
Colorado.....	129.47
Michigan.....	127.73
Third 12 States:	
Arizona.....	127.55
Nebraska.....	127.28
Iowa.....	124.83
Utah.....	120.24
New Mexico.....	119.98
Vermont.....	117.90
Maryland.....	113.98
Missouri.....	113.07
Idaho.....	112.34
Texas.....	102.46
Maine.....	97.75
Oklahoma.....	96.61
Lowest 12 States:	
Louisiana.....	95.31
Florida.....	94.55
West Virginia.....	93.18
Virginia.....	83.49
Kentucky.....	80.94
Tennessee.....	69.70
North Carolina.....	68.91
South Carolina.....	65.17
Georgia.....	64.92
Arkansas.....	60.26
Alabama.....	56.93
Mississippi.....	44.80

Mr. COOPER. Mr. President, the first table gives the number of school-age children per 1,000 of population in each of the States.

The second table shows the total income of the States in 1945 susceptible to taxation for education and other purposes. These two tables indicate clearly that the largest school populations are in those States which are least able to support public education.

The third table states the expenditures for public education made by the States and local taxing units within the States for each pupil in average daily attendance during the 1944-45 school year. A study of these figures gives proof of the relationship between taxable wealth and education.

Mr. President, today it is admitted that the States have reached, or are approaching, the limit of their abilities to provide funds for education. Many of the States which are in greatest need of funds have been applying larger percentages of their total revenue to education than have the more fortunate States.

Six of the twelve States, designated in table III as providing the lowest number of dollars for each pupil, are using



more than 2 percent of their total revenue, and 8 in the group are using more than 1.90 percent of their total revenue for education, while only 4 of the 12 States designated in table III as providing the largest amount of dollars for each pupil are spending more than 1.90 percent of their total income for education.

Mr. KEM. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. ELLENDER in the chair). Does the Senator from Kentucky yield to the Senator from Missouri?

Mr. COOPER. I yield.

Mr. KEM. I should like to ask the Senator whether he has any figures indicating the relationship between the debt of the Federal Government and the debt of the various States constituting the Union.

Mr. COOPER. No; I do not have figures on that subject. I anticipate that the Senator from Missouri will point out that the indebtedness of the States, in comparison to the debt of the Federal Government, is much lower and that they are in better financial position to provide for education.

Mr. KEM. Yes. The Federal Government debt is approximately \$258,000,000,000, is it not?

Mr. COOPER. That is correct.

Mr. KEM. And the debt of the States in the aggregate is approximately \$2,500,000,000, is it not?

Mr. COOPER. I have no reason to doubt the accuracy of the Senator's figures.

Mr. KEM. Moreover, the States have cash on hand which would reduce the total liabilities of the States to approximately \$1,000,000,000.

Mr. COOPER. I should like to point out that the cash on hand could not be used for the recurring expenditures of a State. It might be used for capital outlays in a State, but it cannot be assumed that there will be a surplus each year.

Mr. KEM. But I think it gives a fair picture of the financial condition of the States.

I should like to ask the Senator this question: Admitting that there are great deficiencies in our public-school system, which have been so ably pointed out, does the Senator feel that all those problems should be brought to Washington for solution, and that intervention by the Federal Government is the answer to the problems of American education?

Mr. COOPER. I do not so believe, but if the Senator from Missouri is directing his question to the problem now before the Senate, namely, the problem of education in elementary and secondary schools, I shall answer "Yes."

Mr. KEM. Then, does the Senator feel that the ultimate result of such a program will be to have Washington bureaucrats fix what is to be taught, how it is to be taught, and who is to teach it?

Mr. COOPER. I do not accept the conclusion that such a situation will occur.

Mr. KEM. How is it possible to correct these deficiencies unless such control does occur from Washington?

Mr. COOPER. As has been so often stated in the course of this debate, the

bill now contains a provision that the Federal Government shall in no way regulate or supervise the educational systems of the States.

Mr. KEM. Yes. However, I find on my desk an amendment, for instance, intended to be proposed by the able Senator from New Jersey [Mr. HAWKES], to—

Provide for the teaching in the public elementary and public secondary schools within such State, and in all other schools within such State to or for the benefit of which funds appropriated pursuant to this act are disbursed, of regular courses of instruction in the text and interpretation of the Constitution of the United States, consisting of not less than 2 hours of classroom instruction during each 4-week period within the school year, in each grade or year above the fifth (excluding kindergarten).

Does not the Senator from Kentucky feel that what we are doing now is merely permitting the camel to put his nose under the tent?

Mr. COOPER. The distinguished Senator from Ohio [Mr. TAFT] has stated very frankly several times during the course of this debate that such a danger exists. But he has also said, that it is a question of weighing a possible but unlikely danger against meeting the immediate needs of this country with respect to education.

Mr. KEM. I have read the very able statement of the senior Senator from Ohio which appears in the committee hearings. As I read it, it was very difficult for me to tell in certain places which result he would finally reach—whether he would favor the bill or would oppose it.

Mr. COOPER. I assume that the distinguished Senator from Ohio can take care of himself, without any help from me.

Mr. KEM. I shall be glad to invite the attention of the Senator from Ohio to the passages of his statement which I have in mind, if he is in any doubt about it.

Mr. AIKEN. Mr. President, will the Senator yield to me?

Mr. COOPER. I yield.

Mr. AIKEN. I should like to refer to the suggestion of the Senator from Missouri that we should take into consideration the public debt of the States and should compare it with the public debt of the Federal Government. I wish to say that if we tabulated the public debt of all the States, the result would not have a great deal of meaning, for the simple reason that so many States have constitutional prohibitions against the creation of a public debt, and in those States the debt is carried by the counties and municipalities.

So a table showing the public debt of the States, in comparison to the national debt, would not have too much meaning. If it would have any meaning at all, we should include the public debt of the municipalities and counties, as well as the debt of the States themselves. I wish to make that contribution at this time.

Mr. KEM. Mr. President, will the Senator yield to me?

Mr. COOPER. I yield.

Mr. KEM. Did I correctly understand the Senator from Vermont to say that in his judgment the public debt of the

States is of little importance in connection with a discussion of this problem?

Mr. AIKEN. No; I said a table showing the State debts would not have full meaning because some States have constitutional prohibitions against the incurrence of a debt on the part of the State; and in those States some of which are in the Midwest—I do not know whether Missouri is one, but I think Nebraska is one—it would be necessary to have a tabulation of the debts of the municipalities and counties, as well as the debts of the States, in order to have the complete picture.

Mr. KEM. Yes; but the Senator will agree, I am sure, that the aggregate of all the debts of the local subdivisions and of the States is comparatively small, as compared to the gigantic Federal debt.

Mr. AIKEN. I do not know what it is, but it is less. However, the means of the States to pay off debt is sometimes difficult to prove.

Mr. KEM. After all, all taxes must come from the people.

Mr. AIKEN. That is correct.

Mr. KEM. And if there are presently insufficient means of raising revenue, that can always be corrected.

Mr. AIKEN. The Senator is correct.

Mr. KEM. It is not necessary to break down our constitutional form of a union of States in order to accomplish that.

Mr. AIKEN. It is unfortunate that a large share of the wealth created in this country gravitates from the sources of its origin to a few financial centers which are located in the more wealthy States. The only way in which a share of that wealth, which may be desperately needed, can be restored to the States where it is created is by means of Federal taxation and the reallocation of the tax receipts to all the States, based on certain formulas. There are different formulas for different Federal programs.

Mr. COOPER. I agree. The Senator from Vermont has touched the great cause of this inequality. It does not come from the comparative debts; it does not arise from the tax structures of the States—

Mr. AIKEN. That is correct.

Mr. COOPER. It arises from the differences in taxable wealth in the States.

Mr. AIKEN. I may point out that certain of the wealthiest corporations in the country are controlled by people who live in a few Eastern States, although the production takes place and their wealth is created in some of the more sparsely settled States of the West.

Mr. KEM. Mr. President, will the Senator yield?

Mr. COOPER. I am happy to yield.

Mr. KEM. Does the Senator present this measure to us as a method or means for the redistribution of wealth in this country?

Mr. COOPER. Is the Senator addressing his question to me?

Mr. KEM. Yes.

Mr. COOPER. That certainly is not the purpose or intention of the bill. I would not support the bill if it had such a purpose.

Mr. AIKEN. No.

Mr. COOPER. The remark made by the Senator could be made with respect



to almost any system of Federal aid to the States. I think it could just as well apply to any other function of the Federal Government. It certainly could apply to loan programs, and to agriculture, and for roads. I do not believe they were initiated to redistribute wealth.

Mr. KEM. We have seen bills introduced and passed in Congresses preceding the present one, that had that objective and purpose, beyond any question. What I am asking the Senator is whether his bill belongs in that classification.

Mr. COOPER. I may say to the Senator that if the purpose of this bill were merely to provide a means of redistributing the wealth of the country as such, I certainly would not approve that purpose. But that is not the purpose of this bill. The objection the Senator raises could be raised against any program of the Federal Government in which funds are distributed to States in aid of certain programs.

Mr. President, Senate bill 472 will not eliminate all inequalities and bring exact educational opportunity to all the children of the States. It will provide the minimum requirements in teaching and facilities needed by school children for a fair educational start in life.

A consequence of this measure which holds great interest to me is the support that will be given to the education of the Negro citizenship of the Nation, particularly of the South. The bill does not attempt to prescribe how funds shall be used by the States, but it insures, to the extent of the funds available, equality of educational opportunity for our Negro citizenship.

I shall not discuss in detail the formula by which allocations to the States are determined. It proposes to advance to each State from an annual appropriation of \$300,000,000 that sum of money which added to one-half of the money now being spent by the State will provide a base average annual expenditure of not less than \$50 for every pupil in average daily attendance in the public primary and secondary schools. If one-half of the money now being spent by the States per pupil is equal to or more than \$50, \$5 per child will be advanced to raise standards in the poorer districts of each State.

It is designed to encourage and promote continuous effort by the States to increase local expenditures for education. To this end, allocations to the States are reduced proportionately to the extent that local expenditures fail to reach 2.5 percent of the total incomes of the States, and if any State is not expending as much as 2 percent of its income on education at the end of 4 years, aid to such State will be withdrawn. These requirements are important because they encourage local interest and responsibility.

I ask unanimous assent to have inserted in the RECORD at this point, as a part of my remarks, a table which I shall designate as table IV, which is copied from Report No. 439 of the Committee on Labor and Public Welfare accompanying the bill, and which states the estimated allotment of Federal aid

to the States if S. 472 is enacted into law. It must be remembered that the amounts stated will be lowered proportionately, to the extent that the percentage of the total income of a State expended for education fails to reach 2.5 percent. For example, the estimated allocation to Kentucky per annum shown in the table is \$16,120,000 or \$22.30 per child. Because Kentucky's expenditures on education do not reach 2.5 percent of its total revenues, and are estimated to be 2.13 percent of the total, its allotment would be reduced to approximately \$12,962,000 a year.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TABLE IV.—Estimated allotment of Federal aid to States under S. 472<sup>1</sup>

State	\$5 per child 5-17 years of age (thousands)	Excess of \$45 per child over 1 percent of income payments (thousands)	Total amount of allotment (thousands)
Continental United States.....	\$144,650	\$215,855	\$295,260
Alabama.....	3,950	19,390	19,390
Arizona.....	740	1,750	1,750
Arkansas.....	2,440	12,390	12,390
California.....	7,200	7,200	7,200
Colorado.....	1,225	685	1,225
Connecticut.....	1,705	1,705	1,705
Delaware.....	285	285	285
District of Columbia.....	720	720	720
Florida.....	1,250	1,780	2,260
Georgia.....	4,125	17,745	17,745
Idaho.....	600	1,010	1,010
Illinois.....	7,520	7,520	7,520
Indiana.....	3,645	3,645	3,645
Iowa.....	2,505	1,275	2,505
Kansas.....	1,860	540	1,860
Kentucky.....	3,520	16,120	16,120
Louisiana.....	3,055	11,075	11,075
Maine.....	940	1,060	1,060
Maryland.....	2,135	2,135	2,135
Massachusetts.....	4,160	4,160	4,160
Michigan.....	5,980	5,980	5,980
Minnesota.....	2,780	2,820	2,820
Mississippi.....	2,975	16,985	16,985
Missouri.....	3,755	1,665	3,755
Montana.....	545	55	545
Nebraska.....	1,350	1,220	1,350
Nevada.....	135	135	135
New Hampshire.....	490	640	640
New Jersey.....	4,025	4,025	4,025
New Mexico.....	760	3,390	3,390
New York.....	12,010	12,010	12,010
North Carolina.....	4,885	22,825	22,825
North Dakota.....	725	1,655	1,655
Ohio.....	7,090	7,090	7,090
Oklahoma.....	2,675	9,195	9,195
Oregon.....	1,125	1,125	1,125
Pennsylvania.....	10,410	10,410	10,410
Rhode Island.....	720	720	720
South Carolina.....	2,715	13,855	13,855
South Dakota.....	685	1,445	1,445
Tennessee.....	3,695	14,785	14,785
Texas.....	7,875	18,675	18,675
Utah.....	785	1,535	1,535
Vermont.....	375	615	615
Virginia.....	3,540	8,070	8,070
Washington.....	1,820	1,820	1,820
West Virginia.....	2,495	10,405	10,405
Wisconsin.....	3,300	1,020	3,300
Wyoming.....	280	180	280

<sup>1</sup> As computed in sec. 4 (C) without application of reductions provided in sec. 4 (D).

Mr. COOPER. The Committee on Labor and Public Welfare has stated clearly in its able and comprehensive report that the pending measure is based upon three basic principles. I have discussed briefly two of these principles, the principle of equalization and the principle of maintenance of State and local effort. A third principle, equally as important, is secured by section 2, which provides that the Federal Government shall not directly or indirectly

regulate, control, or interfere with State educational systems. This provision is so important that I ask that it be inserted in the RECORD at this point as a part of my remarks.

There being no objection, the section was ordered to be printed in the RECORD, as follows:

SEC. 2. Nothing contained in this act shall be construed to authorize any department, agency, officer, or employee of the United States to exercise any direction, supervision, or control over, or to prescribe any requirements with respect to any school, or any State educational institution or agency, with respect to which any funds have been or may be made available or expended pursuant to this act, nor shall any term or condition of any agreement or any other action taken under this act, whether by agreement or otherwise, relating to any contribution made under this act to or on behalf of any school, or any State educational institution or agency, or any limitation or provision in any appropriation made pursuant to this act, seek to control in any manner, or prescribe requirements with respect to, or authorize any department, agency, officer, or employee of the United States to direct, supervise, or control in any manner, or prescribe any requirements with respect to, the administration, the personnel, the curriculum, the instruction, the methods of instruction, or the materials of instruction, nor shall any provision of this act be interpreted or construed to imply or require any change in any State constitution prerequisite to any State sharing the benefits of this act.

Mr. COOPER. Mr. President, the only hope for educational equality in this country is Federal aid to education. The decision is now with us, as to whether Federal aid shall be made available or refused upon grounds which are based on untenable fears.

The chief objections which have been made to S. 472 revolve around the first and fourteenth amendments to the Constitution of the United States.

The first amendment provides that—

Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof.

The fourteenth amendment makes the first amendment applicable to the States, and thus prohibits the States from making any law respecting an establishment of religion, or prohibiting the free exercise thereof. It has been said that these amendments were intended to erect a wall of separation between church and state. I agree with and support strongly that purpose. The amendments prohibit the use of public funds in the public schools or any denominational or sectarian schools of the country for the establishment or support of any religion or faith. At the same time they guarantee the free exercise of religion in denominational and parochial schools, without control or regulation by the State.

Some of those who oppose this bill are fearful that the funds which it provides will be used by the State to support or establish religion in public or private schools, or to support religion in sectarian schools in violation of the constitutional tradition of the separation of church and state. I assert that such action could not be taken constitutionally by any State, even if so desired. I



point to section 6 of S. 472, which provides that the funds shall be disbursed by the State educational authority for any current expenditures for elementary or secondary school purposes for which educational revenues derived from State or local sources may legally and constitutionally be expended in such States. I emphasize the words, "legally and constitutionally."

Others who are interested in sectarian schools desire that the bill name certain uses, not primarily educational in nature, for which the funds may be used in sectarian schools. If we do this it is entirely possible that we will designate uses which would be held to violate the first and fourteenth amendments. There are other compelling objections.

Education is the primary concern of the States, and, subject to constitutional restriction, it is wise that the people of a State acting through their legislatures establish systems which are in harmony with their peculiar needs, customs, and beliefs.

One of the fundamental characteristics of the bill, expressed in section 2, is that the Federal Government shall not control or regulate the educational system of a State. Believing that provision to be sound, I shall vote against amendments which seek to substitute the opinion and judgment of the Congress for that of the people of the States.

Mr. President, I have not attempted to emphasize the material benefit which will flow to the school children of the Nation and to the community if this bill shall pass.

I emphasize, rather, its value in maintaining and giving life to representative government. It is inherent in our system that the action taken by the Government, legislative or otherwise, shall express the will and opinion of the people. Unless the people are informed, there exists always the danger that the judgment of the Executive will be substituted in increasing measure for the will of the people or that progress and improvement will be stifled.

Education can give that information to the people which is needed for effective self-government. It can strike out the prejudice and intolerance that grow from lack of understanding. It can give new value to the individual in opening the doors of opportunity. It will strengthen representative government.

I earnestly hope that the Senate will pass this bill and that it will become law.

Mr. DONNELL. Mr. President—

Mr. TAFT. Mr. President, will the Senator yield?

Mr. DONNELL. I yield.

Mr. TAFT. I hope we may have a vote on the amendment offered by the Senator from Missouri. I understand he wishes to say something regarding his amendment, and I should like to say a few words in reply. If there is no other Senator who wishes to speak on the amendment at this time, I think we might have a quorum call and then proceed.

Mr. THYE. That is what I was about to suggest.

Mr. DONNELL. May I amend the suggestion to this extent: We have on the floor now a comparatively small proportion of the membership, and there-

fore we are not able to tell at this moment whether other Senators desire to speak. My suggestion is that we have a quorum call and that then an opportunity be afforded for all those who desire to speak to proceed to do so. I should like, as the proponent of the amendment, to have the privilege of closing the debate, if there is no objection on the part of the Senate to that procedure being followed. But I think it would be well to have a quorum call and then ascertain whether other Senators desire to be heard. If the Senator from Ohio desires to be heard, either in advance of my remarks or following their conclusion, with permission to me to close the debate, I am perfectly willing to follow that course.

Mr. TAFT. Mr. President, will the Senator yield for the purpose of suggesting the absence of a quorum?

Mr. LUCAS. Mr. President, it is proposed to vote this afternoon on only the one amendment?

Mr. TAFT. I would hope to proceed to vote on as many amendments as possible.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Alken	Hawkes	O'Connor
Baldwin	Hayden	O'Daniel
Ball	Hickenlooper	O'Mahoney
Barkley	Hill	Overton
Brewster	Hoey	Pepper
Bricker	Holland	Reed
Bridges	Ives	Revercomb
Brooks	Jenner	Robertson, Va.
Buck	Johnson, Colo.	Robertson, Wyo.
Bushfield	Johnston, S. C.	Russell
Byrd	Kem	Saltonstall
Cain	Kilgore	Smith
Capehart	Knowland	Sparkman
Capper	Langer	Stennis
Chavez	Lodge	Stewart
Connally	Lucas	Taft
Cooper	McCarran	Thomas, Okla.
Cordon	McCarthy	Thomas, Utah
Donnell	McClellan	Thye
Downey	McFarland	Tobey
Dworshak	McGrath	Umstead
Eastland	McKellar	Vandenberg
Eaton	McMahon	Watkins
Ellender	Magnuson	Wherry
Ferguson	Malone	White
Flanders	Martin	Wiley
Fulbright	Maybank	Williams
George	Millikin	Wilson
Green	Moore	Young
Gurney	Morse	
Hatch	Myers	

The PRESIDING OFFICER. Ninety-one Senators having answered to their names, a quorum is present.

Mr. DONNELL. Mr. President, as was stated before the quorum call, and in the absence of a number of the Members who are now present, it is hoped to vote upon the amendment which I have had the honor to present to the Senate, bill 472, and to argue upon at considerable length some days ago. As the proponent of the amendment, and, I may say, as the only proponent of it—I hope not the only one who will vote for it—I should like to have the privilege of concluding the argument on it.

I pause in my statement at this time to state, however, that I shall certainly welcome anyone who desires to speak in opposition to what I am about to say, and at any time that such speaker him-

self desires to take the floor, I shall be glad to permit him so to do, with the understanding that I may thereafter resume. Likewise, Mr. President, I hope that if any Members of the Senate shall during the course of my remarks desire to speak in behalf of the amendment, they will not feel in the slightest embarrassed at making known their desires so to do, whereupon I shall take pleasure in following the same course of procedure with respect to such Members of the Senate.

I shall discuss the amendment briefly in a moment. Before so doing I should like to comment in a very few words, not upon the amendment itself, but upon the views of the minority of the Committee on Education and Labor presented on October 14, 1943. The gentlemen who presented that report were the distinguished senior Senator from Ohio [Mr. TAFT] for himself and for the late Senator Walsh of Massachusetts, the Senator from Minnesota [Mr. BALL], and the Senator from Nebraska [Mr. WHERRY].

I take it that at one time a man may look upon a proposition from a different viewpoint than at a later time; but I do think it would be instructive and proper that our record of the debate should contain within it a complete copy of the minority views. If I am in error in thinking that the minority views have not been introduced into the RECORD I shall not present them, but with the understanding that if they have been introduced into the RECORD they need not be again placed in the RECORD, I now ask unanimous consent that the entire minority views expressed in Report No. 323, part 2, with respect to Senate bill 637, on October 14, 1943, may be set forth in the RECORD at the conclusion of remarks on the pending amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit A.)

Mr. DONNELL. I should like also to read three observations from the minority views of less than 5 years ago. On page 2 appears this language:

Taking both parts of this bill together, it is a proposal to establish a Federal subsidy for common-school and high-school education, a function of the State governments and local governments for the last 150 years. There can be no doubt that common-school and high-school education is the obligation of the States and their local subdivisions under our constitutional system and that it is not an obligation of the Federal Government. There is nothing whatever in the Constitution which delegates to the Federal Government power to deal with questions of education. All authority for a Federal subsidy of education must be based upon the spending power, which is sufficiently broad to give a legal basis for the current bill, as for other subsidies to local government.

Then, Mr. President, I read from page 5 of the same minority views, as follows:

There is an even more important question. Can Federal subsidies to the public-school system be maintained without ultimately bringing about a nationalization of our educational facilities and federalized bureaucratic control? This is an eventuality which the proponents of the present bill insist is not intended and which they maintain can be avoided. They contend that by the provisions of section 1 the danger is removed.



I may stop, Mr. President, at that point to say that likewise the proponents of Senate bill 472 contend that by a portion of that bill, section 2, likewise the danger is again removed.

I pass further into the minority views of 1943. After the sentence which I have read:

They contend that by the provisions of section 1 the danger is removed.

The minority views continue:

We seriously question this conclusion. We believe that in the complexity of reports, of plans, of State legislation to conform to Federal policies, of counsel and advice and joint participation of the Federal Government and the States, and all of the other manifold details of the operation of the contemplated program of Federal subsidies, our public-school systems would be gradually, but no less inevitably, drawn more and more under the thumb of a Federal bureaucracy.

Mr. President, in the conclusion of the minority views we find the following language:

We do not subscribe to the doctrine that because our public schools and our educational facilities are a vital element in our national welfare, they thereby become the proper concern and implied responsibility of the National Government.

Our schools are one of the few remaining bulwarks of local self-government and community enterprise. They should so remain. They have on the whole been well managed and generously supported. We have today too much centralization of control over the affairs of our citizens in a Federal bureaucracy. We should not add to it by this new excursion into the field of education.

Mr. President, this was the language used in 1943 by the proponent, the senior Senator from Ohio, and by another member of the present Committee on Labor and Public Welfare, the Senator from Minnesota [Mr. BALL], both of whom now, as I understand, advocate the passage of Senate bill 472. I have not heard the Senator from Minnesota speak upon the floor, but certainly he did not oppose the bill in the report of the committee as it was presented to the Senate. I may say, Mr. President, as I said earlier today, that when Senate bill 472 was voted out of the Committee on Labor and Public Welfare to the floor of the Senate, if the provision of section 6 which I now propose had been in substance, inserted, I myself should have voted for a favorable report on Senate bill 472. But, Mr. President, as I have heard this argument progress I have become the more doubtful—indeed, as I read the eloquent remarks made by the distinguished senior Senator from Ohio and the Senator from Minnesota less than 5 years ago, I am even more in doubt—as to whether, regardless of what amendments may be attached to this bill, it should receive our support.

The amendment which I propose has been printed and placed upon the desks of Senators. I apologize for repeating, and I trust that I shall not consume by any means as much time as I did on Monday of this week in extensively setting forth documentation and other statements upon my position. But I do find it necessary, in justice to the cause for which I plead, to take some time to present, at least in outline, my general views.

I remember that an old friend of mine who was a member of the bar in the city of New York several years ago, in referring to a friend of his, stated that this friend occasionally would remark that, "It is very difficult to discuss a matter without alluding to it." I find somewhat the same difficulty here in adequately discussing this proposition without to a very considerable extent repeating at least the outline—with some amplification as I go along—of the argument which I presented on Monday, when it was understood, as will be recalled, that there was to be no vote upon any controversial matter, and when—as I have no doubt was true—it was stated that many Senators were out of the city because of the Easter holiday.

Mr. REVERCOMB. Mr. President, will the Senator yield?

Mr. DONNELL. I yield.

Mr. REVERCOMB. I am very much interested in the amendment of the Senator from Missouri. As I understand, the effect of the Senator's amendment would be to provide a limitation on how the money shall be spent. Would it not be better to give the money to the States, if it is to be given, without any conditions or limitations whatsoever? If we start establishing conditions and limitations with respect to how the States shall spend the money, are we not at once entering into the realm of placing Federal conditions upon the use of the money which may be appropriated, the one thing which many of us are watching with great care? Let me sum it up in this way: Would it not be better to have the several States declare their own policies, and use the money within the States as they feel it should be used? I should like to hear the Senator on that point.

Mr. DONNELL. Mr. President, that was substantially the whole tenor of the point which was involved in the discussion on Monday last, which occupied more than 3 hours. I shall be very happy to address myself to the question which the Senator from West Virginia has submitted.

The proposition which he presents would obviously, in his own mind, be subject to certain limitations, for certainly he would not advocate an appropriation to the States to use as they should see fit. Certainly he would concede that it is proper to say that the money shall be used only for educational purposes. At least there should be some broad general outline or statement of the purposes for which it may be used. I undertake to say that the Senator would certainly not advocate that we enact a statute which, in substance, would say, "There is hereby authorized to be appropriated to each and every State of the Union \$7,500,000, to be used as each State shall decide."

Mr. REVERCOMB. Mr. President, will the Senator further yield?

Mr. DONNELL. I yield.

Mr. REVERCOMB. We can put that general proposition immediately at rest, because the sole purpose of the bill is to provide funds for educational purposes. But once it is declared that the funds are to be used for educational purposes, to be allocated to the States, and received by them, would it not be the better course to

leave it to the policies of the States to determine how they should spend the money for education? Once we take the step of saying definitely and in particular how they shall use the money, or place limitations upon the use of it, has not the Federal Government then stepped into the States' educational system?

Mr. DONNELL. I do not think so. In my judgment the Federal Government, and we as guardians of the funds of the Nation, have the right and the responsibility of stating in the legislation which we enact whatever limitations we deem proper. I do not mean by that to say that the Federal Government should undertake to manage the educational systems of the States. I am in thorough accord with the idea which I have no doubt the Senator from West Virginia entertains, that the Federal Government should not undertake to supervise, direct, or control the details of the educational system of any State in the Union. But I do say that the Federal Government has the right and duty, and we as Members of Congress, in my judgment, have the right and duty likewise, to state in the bill the purposes for which the appropriation is to be used, and if need be, the purposes for which the appropriation is not to be used. As I proceed I shall develop—I trust adequately—my views upon the question submitted by my distinguished friend the Senator from West Virginia.

The amendment which I offer is to be attached to and in substitution of a part of section 6 of the bill. It will be recalled that section 3 provides as follows:

SEC. 3. For the purpose of more nearly equalizing public elementary-school and public secondary-school opportunities among and within the States, there is hereby authorized to be appropriated for the fiscal year ending June 30, 1949, and for each fiscal year thereafter, the sum of \$300,000,000 to be distributed among the States as hereinafter provided.

Section 6 provides as follows:

SEC. 6. In order more nearly to equalize educational opportunities, the funds paid to a State from the funds appropriated under section 3 of this act shall be available for disbursement by the State educational authority, either directly or through payments to local public-school jurisdictions or other State public-education agencies, for any current expenditure for elementary or secondary school purposes—

I call attention to the remaining portion, which my amendment would strike out, and for which my amendment would provide a substitute—

for which educational revenues derived from State or local sources may legally and constitutionally be expended in such State.

The amendment which I offer is to strike out lines 12, 13, and 14, which contain the words "for which educational revenues derived from State or local sources may legally and constitutionally be expended in such State" and substitute therefor, after the punctuation of a colon, the words "Provided, That no funds appropriated under this act shall be disbursed in any State for the support or benefit of any sectarian or private school."

Mr. President, this amendment is based upon the proposition that the act



should, itself, clearly and affirmatively set forth that no funds appropriated under the act shall be disbursed in any State for support or benefit of any sectarian or private school.

Mr. REVERCOMB. Mr. President, will the Senator yield?

Mr. DONNELL. I yield.

Mr. REVERCOMB. Let me make it clear to the Senator that I believe his thought is entirely sound. I believe that it is right for the proper policymakers to lay down the policy that private schools be not supported with public funds. At the same time, the point which I have addressed to the Senator, and upon which he has given his views, is that the Federal Government, including the Congress, is not the one to declare the conditions, the limitations, or the policies of the schools within the States. I want the Senator to understand that so far as the policy itself may go, it may be indeed a very good policy.

Mr. DONNELL. Mr. President, if the policy itself may be indeed a very good policy, the only place that the policy can be successfully enunciated and crystallized into law is in an act of the Congress of the United States. We have a great diversity of provisions in the constitutions and statutes of the various States.

Mr. REVERCOMB. Mr. President, will the Senator further yield?

Mr. DONNELL. I yield.

Mr. REVERCOMB. I disagree with the Senator when he states that the Federal Government is the only government that can declare the policy. That is the very point, and the main issue in the idea of Federal aid. The policymakers should be the several States themselves; and unless that rule be adhered to throughout the course of legislation upon this subject, we shall find that the free schools of the States will have their policies made and directed by the Federal Government—something about which we are all quite apprehensive.

Mr. DONNELL. Mr. President, with all due deference to my distinguished friend, I think he is entirely confusing two very different things. He says, as I understand him, that the question of what the school should do should be left to the States themselves. I agree that that is true. But my amendment proposes to have the Federal Government say what schools shall not receive the Federal funds. After the funds have passed to the States, to my mind, the control should be within the States themselves. But I certainly think that if it be found that the private schools and the sectarian schools should not receive the aid of governmental funds, the place at which to apply the restriction is in the Federal Congress, so that not one dollar shall go from Washington into the various 48 States, there to be acted upon severally and independently by the States.

I fully appreciate the fact, of course, that after this money goes to the various States, each and every State may, within the limitations of its own constitution and the Federal constitutional

requirements, itself determine the use to which the funds may be put in their respective educational systems. But I say that in order to determine what schools shall receive the aid—not in determining what is the policy after the money goes to the schools, not in determining what they shall teach, not in determining what they shall not teach, but in determining what school shall receive Federal funds—the duty devolves upon the Congress of the United States to say, in language so clear that no one can misunderstand it, that certain specific, designated types of schools shall not receive the funds appropriated by the Congress. That is the theory upon which this amendment proceeds; and, Mr. President, I think it proceeds upon a sound public policy—sound from the standpoint of the interests of the United States Government and its people, and sound, likewise, from the standpoint of the religious organizations by which the various sectarian schools are managed, and sound from the standpoint of the private schools which may or may not be sectarian in their nature.

Mr. President, as I proceed I shall endeavor to expound my views as best I can. I trust that the Senator from West Virginia will find, as I proceed, that, regardless of whether he may agree with my views, at any rate I shall have given my answer to the question he has propounded.

Before the Senator from West Virginia asked his question, Mr. President, I stated that the amendment I propose is based on the proposition that the act itself should clearly and affirmatively set forth that no funds appropriated under this act shall be disbursed in any State for the support or benefit of any sectarian or private school.

Mr. President, what does the bill do in that respect? I take it that it is perfectly clear that the bill does not prohibit the disbursement of Federal funds in any State for the support or benefit of any sectarian or private school. I challenge anyone to take this bill, beginning with its opening word and going to and including its concluding word, and find in it anything which amounts to a prohibition of the disbursement of Federal funds in any State for the support or benefit of any sectarian or private school.

Indeed, Mr. President, as I pointed out in my presentation on Monday of this week, the senior Senator from Ohio [Mr. TART], himself, in speaking on March 24, 1948, in favor of section 6 of this bill, said:

That section refers very briefly to private schools, or parochial schools. If a State, as part of its educational system, chooses to distribute money to private schools in the conduct of its educational system, then Federal funds may be used in the same way. If a State refuses to do so, the Federal funds cannot be used in that way. In other words, it is an absolutely home-rule provision.

Indeed, Mr. President, the Senator from Ohio clearly contemplates, I suppose, that certain of these Federal funds will pass, under the act, to sectarian schools. That he so contemplates appears in the following quotation from

his remarks at page 3357 of the CONGRESSIONAL RECORD:

If we are going to maintain a system of local autonomy, if the Federal Government is not going to use this money to change the educational system which is desired by the people of any State, then it seems to me that we must adopt a provision of this kind. I am quite prepared to defend it against those who want some parochial-school aid and those who do not want any.

Mr. President, the fact that the Senator from Ohio contemplates that in the case of any States which may use their own funds for sectarian purposes, the Federal funds appropriated under this act may be used for such schools, further appears from the fact that at page 3357 of the CONGRESSIONAL RECORD the Senator from Ohio indicates, not an opposition to the use of funds for sectarian schools, but merely his view that under the decisions of the Supreme Court of the United States, very little of such aid can be given to sectarian schools. The Senator from Ohio said, as shown at page 3357 of the CONGRESSIONAL RECORD:

I may say that, so far as the parochial schools are concerned, the recent decisions of the Supreme Court make it almost—

I call to the attention of the Chair and of the other Members of the Senate the word "almost"—

almost impossible for any State to give aid to any parochial schools except possibly for bus transportation.

Mr. President, in this morning's mail, I received a clipping from the St. Louis Globe-Democrat, which is published in the State from which I come. The opening paragraph of the editorial contained in the clipping, which editorial is entitled "Pitfalls in School Aid," clearly shows what interpretation is placed by this well-known and outstanding newspaper upon the meaning of the bill as regards the right of private and church schools to share in the distribution thereunder. Let me read these few sentences from the opening paragraph of the editorial:

Senator TART has announced he will press for a vote in the Senate this week on the controversial "educational finance act." This bill, which proposes to distribute \$300,000,000 annually in Federal aid to schools, has the support of educational organizations, including the National Education Association. It is intended to equalize educational opportunities, particularly in the States where public schools are substandard.

Then, Mr. President, comes the concluding, crucial sentence, from the standpoint now under discussion, in the opening paragraph:

Where State laws permit, private and church schools would be permitted to share in the distribution.

Mr. President, that clearly is the idea of the Senator from Ohio, although in his own judgment, as he indicated in what I have read, he thinks that the recent decisions of the United States Supreme Court make it "almost"—and I emphasize that word by intonation—and I trust that in the RECORD the word will be italicized, "almost" impossible for any State to give aid to any parochial



schools, except possibly for bus transportation.

Mr. President, at this point I ask unanimous consent that the editorial from the St. Louis Globe-Democrat, published on yesterday, March 30, 1948, be printed in full, as a part of my remarks.

The PRESIDING OFFICER (Mr. HOEY in the chair). Without objection, it is so ordered.

The editorial is as follows:

PITFALLS IN SCHOOL AID

Senator TAFT has announced he will press for a vote in the Senate this week on the controversial "educational finance act." This bill, which proposes to distribute \$300,000,000 annually in Federal aid to schools, has the support of educational organizations, including the National Education Association. It is intended to equalize educational opportunities, particularly in the States where public schools are substandard. Where State laws permit, private and church schools would be permitted to share in the distribution.

There are valid objections to the principle of Federal aid to schools which suggest that it is not in the public interest. The term "aid" is misleading. What this "aid" amounts to is additional taxation for the wealthy and more populous States for the benefit of the backward States. Missouri, for example, under the distribution formula proposed in the bill, would receive \$3,755,000 in Federal aid. Missouri taxpayers, however, would contribute to the program in Federal taxes \$7,710,000. The difference, nearly \$4,000,000, would go to States like Alabama, Mississippi, and North Carolina. Alabama, under the formula, would receive in Federal aid \$19,390,000 and pay in Federal taxes but \$3,660,000. Mississippi would receive \$16,985,000 and pay \$2,100,000. North Carolina would receive \$22,825,000 and pay in taxes \$5,470,000.

Missouri's per capita expenditure per pupil is now \$67 annually, and it ranks close to the bottom of the list of States in per capita expenditures. Yet this State would pay in Federal aid over what it receives, enough to raise the per capita expenditure to the national average.

The most serious objection to the bill is that it would be the opening wedge to Federal supervision and control of public school education. Proponents of the measure insist that this is not the intent. Section 2 of the bill, in fact, contains a disclaimer against Federal interference or control of school systems. But so long as the bill includes regulation of minimum teacher salaries, Federal control over minimum State expenditures for schools, and compliance with other Federal standards and regulations, the disclaimer is meaningless.

Less eloquent, but more realistic than the disclaimer provision, is the recent Supreme Court decision on a Federal aid issue, which declares that "it is consistent with due process for the Government to regulate that which it subsidizes."

Mr. DONNELL. Mr. President, as I have indicated, in my judgment it is of fundamental importance—not of trivial or immaterial importance or semi-importance, but of fundamental importance—that public funds be not appropriated for the use or benefit of sectarian schools. In my judgment not \$1 of the funds from the Federal Government should, from the standpoint of public welfare, if the Chair please, be so appropriated for the use or benefit of sectarian schools.

I say it is fundamental. Yes, it is fundamental from a standpoint both of the people themselves and of the re-

ligious organizations themselves. From the standpoint of the public, such support is objectionable certainly for at least three distinct reasons. First, because the support of sectarian schools by public funds permits such funds which are derived from people of all religious affiliations, or as I mentioned a few days ago, from people of no religious belief, to be used for the teaching of the religious views held by specific groups of individuals.

From the standpoint of the public, the support of sectarian schools in whole or in part by public funds is objectionable, because if public funds are to be used by schools of one specific sect, whether Methodist, Congregationalists, Presbyterians, Jews, Catholics, or any other sect, other groups and other sects would be entitled to the use of public funds in their schools.

I quoted the other day, Mr. President, a very distinguished lady who lives in Washington, who wrote in the current issue of the Reader's Digest a sentence, part of which reads as follows:

For public support of one sectarian school system would bring many others into existence, thus undermining our public educational system and the future development of our Republic.

So, Mr. President, I submit, in addition to the standpoints which I have mentioned, there is objection from the standpoint of the public.

From the standpoint of the schools themselves there is the danger to which reference has been made by more than one Senator upon this floor, not confined in the remarks of other Senators solely to sectarian schools, but the danger which the Senator from Ohio has in this very debate conceded exists with respect to public schools, namely, the danger that the Federal Government, which provides the funds, may ultimately attach conditions to the use of the funds, even if it does not do so at the outset; and consequently that the Government will thereby interfere in the policies of the schools. Certainly this danger exists to the sectarian schools, which may receive their support in whole or in part from the Government, just as would be true in the case of public schools supported by the States and receiving in whole or in part their moneys from the State governments.

I said that from the standpoint of the public there are at least three grounds upon which the support of sectarian schools by governmental funds is objectionable. I mentioned but two. The third ground applies both to the public and to the religious groups, namely, that such use of public moneys is objectionable because it tends, and strongly tends, to strike down what Thomas Jefferson termed the "wall of separation between church and state."

Mr. President, in considering whether harmful effects accrue to both the public and the religious groups from such use of public funds for the support of sectarian schools, it is not amiss to note a portion of the opinion of the minority, four members out of nine of the Supreme Court of the United States, in *Everson* against the Board of Education. The

minority called attention to the views of Madison and his coworkers in opposition to the imposition of a tax for religion. Mr. Justice Rutledge, speaking for the minority of four out of nine Justices, said:

Not the amount but "the principle of assessment was wrong." And the principle was as much—

Said he—

to prevent "the interference of law in religion" as to restrain religious intervention in political matters.

In other words, Mr. President, the distinguished Justice, speaking for himself and three other members of the Supreme Court, was pointing out the danger of interposition by the Government in religious affairs, a danger which inheres on the one hand to the Government and on the other hand to the religious institutions themselves.

I recalled a day or two ago the further observation quoted in at least two decisions by the Supreme Court of the United States. In one of those decisions the majority of the Court, in the *Everson* case, spoke and set forth with approval, as I construe the language of the decision, an observation of a South Carolina court, as follows:

The structure of our Government has, for the preservation of civil liberty, rescued the temporal institutions from religious interference. On the other hand, it has secured religious liberty from the invasions of civil authority.

I pointed out on Monday in much greater detail than I shall this afternoon, the fact that the people of our Nation, generally speaking, have recognized indisputably the importance of prohibiting or at least restricting the use of public funds for sectarian-school purposes. I set forth in some detail the various constitutional provisions, which as I recall are contained in the constitutions of 46 of the 48 States of the Union, and which refer to prohibitions either in whole or in part in these various States of the use of public funds for sectarian schools.

I referred a little while ago to the National Education Association which, as I understand, is supporting Senate bill 472. I dare say, Mr. President, from a reading of the research bulletin issued by that organization in February 1946, that organization, unless it has changed its mind completely in the intervening 2 years, would not be at all disappointed if there should be a prohibition in this Federal act against the use of Federal funds for sectarian schools. In this particular bulletin which I hold in my hand, issued by that organization, it is pointed out that—

An appropriation of any—

The word "any" is italicized—public-school funds to a sectarian school would be unconstitutional in most States and such an appropriation could not be made from certain—

The word "certain" is italicized—funds in any State.

So, Mr. President, obviously the people of our country, by their various constitutional provisions, three of which have been adopted by the people of three sep-



arate States, of which my own State is one—within the years since 1944 my own State, I think, has substantially readopted the language which had prevailed in Missouri since 1875—have recognized the importance of prohibiting, or restricting, at any rate, the use of public funds for sectarian-school purposes.

It will be recalled, Mr. President, that I quoted rather extensively from a book by Professor Cubberley, who is professor and dean emeritus of the School of Education, Leland Stanford University. He pointed out, as will doubtless be recalled, the following significant facts, saying:

In 1875 President Grant, in his message to Congress, urged the submission of an amendment to the Federal Constitution making it the duty of the States to support free public schools, free from religious teaching, and forbidding the diversion of school funds to church or sectarian purposes.

Continuing, said Professor Cubberley: In the latter message he—

That is to say, President Grant—renewed the recommendation, but Congress took no action because it considered such action unnecessary.

Then Professor Cubberley proceeds with these significant facts:

That the people had thoroughly decided that the school funds must be kept intact and the system of free public schools preserved may be inferred from the fact that no State admitted to the Union after 1858, excepting West Virginia, failed to insert such a provision in its first State constitution.

I pause, Mr. President, to state that Professor Cubberley's book from which I quote was issued in 1934. Then he proceeds as follows:

Hence the question may be regarded as a settled one in our American States. Our people mean to keep the public-school system united as one State school system, while realizing that any attempt to divide the schools among the different religious denominations (the World Almanac for 1930 lists 79 different denominations and 160 different sects in the United States) could only lead to inefficiency and educational chaos.

So, Mr. President, we find existing the situation which I have described.

I presented a few days ago for the record the entire foreword from the National Education Association's booklet of February 1946. I shall not quote from it, by any means, in extenso, but there are a few words in the foreword which I should like to quote. It is signed by Dr. Willard E. Givens, who was then and still is, I think, the executive secretary of the National Education Association, and I know he is high in the ranks of the association. He said:

They—

He is referring to the people in each State—

have insisted that the money appropriated for public education shall not be spent for private or church schools, no matter how socially worthy. Many State legislatures and courts have repeatedly set forth these traditional American principles.

Then he says:

It would be misleading, however, to assume that such American principles sprang

into being all at one time. The standard that public funds should not be used to support any religion has been repeated again and again in State constitutions. But it has taken detailed legislation and court decisions to clarify the specific application of the general principle to time, place, and conditions. Furthermore, widespread as have been the restrictions against diverting public moneys to religious purposes, the principle continues—

And I call attention to this—continues to be challenged from time to time.

Later in the foreword Dr. Givens said:

In seeking to restrain the use of public-school funds, educators do not oppose the sectarian-school movement. Those who wish to support such schools in our country can do so without restriction. They meet opposition, however, when they maintain that all citizens of a State should be taxed to support any type of sectarian education. Such efforts to direct public funds to sectarian schools weaken the financial support of public education which in many States is not adequate to provide acceptable public educational opportunities.

Mr. President, I think that by reference to my remarks of last Monday those of the Senators who have had the opportunity and time to examine them and have done so have learned far more than it is necessary for me now to put into the Record with respect to the expressions by public officials and Government officials of their views upon this fundamental question of the support of sectarian schools by public funds. I shall trespass but a very few moments more in this phase of my presentation.

I hold in my hand a document which I also had on Monday, which is issued by the President's Commission on Higher Education for American Democracy. As I mentioned on Monday, it would seem to me that if any safeguards should be thrown around legislation to prevent the use of Federal funds for sectarian education, there is more reason that they should be thrown around secondary and elementary education, such as is covered by this bill, than in the case of higher education. What do we find? We find this holding in the report issued by a distinguished group of men and one lady, I believe. There were 28 distinguished citizens of our Nation with but two dissenting. There is some question in my mind from some of the evidence as to whether all 26 voted, or whether only 14 or 15 voted, but certainly only two of the 28 members expressed a dissent. What did they hold? They held, in language so plain that it needs no emphasis and no addition to make its meaning crystal clear, as follows, and it is printed in heavy, black type:

Federal funds for the general support of current educational activities and for general capital outlay purposes should be appropriated for use only in institutions under public control.

The report, Mr. President, was handed down in December of last year, approximately 3 or 4 months ago.

In the course of the discussion on Monday the name of a very distinguished citizen of our country was referred to by me.

I speak of Bishop Oxnham, of the Methodist Church. He was one of the 28 members of the President's Commission to which I have referred. I introduced into the Record a letter dated January 28, 1948, to Dr. Givens, of the National Education Association, from Dr. Oxnham. I was unable to find, or did not find, at any rate, a letter dated February 17 from Dr. Oxnham to Dr. Givens. I have subsequently been furnished, at my request, with a copy of the letter of February 17.

Now, Mr. President, I present for the Record a copy of a letter from Bishop Oxnham addressed to Dr. Willard E. Givens, executive secretary, National Education Association, 1201 Sixteenth Street NW., Washington, D. C.

I wish to be entirely frank with respect to this letter. I have called Dr. Givens on the telephone, and he tells me that he did not receive the letter. He made search for it, or caused search to be made, and I called him back again this morning to ascertain whether he had been successful in the search, but he had not. He is of opinion that the letter did not arrive at his office. Indeed, I may say he would make that as a positive statement of fact. I telephoned this morning, however, to Bishop Oxnham himself, in New York City, and I was assured by Bishop Oxnham that there is no question about the letter having been written and sent. He turned from the telephone, and I could hear him talk to some individual in his office, and when he returned again to the transmitter he assured me, in substance, that there was no question with respect to the letter having been sent. Regardless of whether the letter arrived or not at Dr. Givens' office, Dr. Oxnham this morning assured me that it expresses his views, and that I have liberty to insert the letter in the proceedings of the Senate.

With the permission of the Senate, Mr. President, I shall read the body of this letter addressed to Dr. Givens by Bishop Oxnham. It reads:

At a meeting of the executive committee of Protestants and Other Americans United for the Separation of Church and State, Miss Williams, representing the NEA—

I digress to express the presumption that "NEA" means National Education Association—

Miss Williams, representing the NEA, stated, if I understood her correctly, that you and the others of the NEA were really opposed to that section of the Federal-aid bill which grants to the States the right to distribute these funds among sectarian and private institutions if their constitutions so allow. The consensus of our group was that we should take steps to secure an amendment to the Taft bill by striking out this provision. Such an effort is strictly in accord with the position taken in my letter of January 28. In the light of Miss Williams' statement and my own desire that such sections of the bill be stricken out, I made a motion that our organization seek to secure this amendment. I am sending you this word so that there may be no misunderstanding and no conflict in this matter. As I stated in my letter, I have been supporting the Taft bill. I see nothing out of the way in seeking an amendment to



that bill to bring it into harmony with the principle which I have stated in my letter and to many others. I had been led to believe that the NEA thought the bill could not pass unless this section were in it, and therefore supported the bill. Upon learning that the judgment of the NEA was that this section should not have been in it, I felt free to put our organization on record as calling for the necessary amendment.

Ever sincerely yours,

G. BROMLEY OXNAM.

Mr. President, I have in my hand a booklet issued by the Federal Council of the Churches of Christ in America. I might quote quite freely from the booklet, but I shall quote very briefly. At the top of page 3, after an earlier portion of the sentence which urges such appropriations, that is to say, appropriations of sufficient Federal funds in subsidy to prevent a lowering of standards in the teaching profession, and so forth, the writer of this article says:

We urge such appropriations on condition \* \* \* (c) that Federal funds shall be used only for such schools as the constitutions or statutes of the several States make eligible for State support.

I take it that that statement is in harmony with the views of the proponents of the pending bill.

I call attention to this language in the same booklet, at page 21:

But in connection with the current proposal to grant Federal aid, it is now insisted in some quarters that a general policy be established of including aid to parochial schools. If this were to be done, we should not only depart from the traditional American policy that public funds should not be given for sectarian purposes but we should also impair our public schools and our democratic community life. To provide Federal funds for parochial schools would be to encourage segregated educational systems and thereby threaten our democracy by fragmentizing our culture.

Again, Mr. President, in the same booklet is set forth a quotation from Bishop Oxnam, which reads as follows:

Public support for parochial schools would divide the community into sectarian educational systems and destroy the unity essential as democracy faces the totalitarian threat of freedom.

If parents have the natural right to determine the education of their children, a privilege this Nation gladly gives, it follows that parents who refuse the benefits of these splendid educational opportunities \* \* \* should pay for such private education as they insist upon.

Otherwise, the Communist father and mother who may demand a Marxian education for their children may also call for private schools and logically ask for public support. Public funds should be used for public education.

Mr. President, I shall not trespass upon the time of the Senate to present again the various documents which set forth very fully the views of numerous organizations of a religious nature—the American Unitarian Association; the Baptist Association, meeting, as it did, in St. Louis; the expression in the Christian Century; the expression of the National Committee of the League Opposed to Sectarian Appropriations, which, as I recall, expressed itself as containing a membership in excess of 8,000,000 citizens, and whose proposed constitutional amendment to prohibit all sectarian ap-

propriations has been unanimously endorsed by other organizations whose total membership is more than 20,000,000. As I have said, I shall not take the time of the Senate to repeat these various documentations which appear in the RECORD of the 29th of this month.

Mr. President, I have pointed out already that Senate bill 472, the bill now before the Senate, does not prohibit the use of Federal funds by either sectarian or private schools. I have pointed out already that what it does is to set forth what the lawyers would call nothing more nor less than a legal conclusion, a conclusion from which one reader may derive one inference and from which another reader may derive another inference. By that statement I do not mean that there has been any conscious or unconscious attempt to mislead readers, but when we are told in section 6, as it is now written, that these moneys may be used "for elementary or secondary school purposes for which educational revenues derived from State or local sources may legally and constitutionally be expended in such State," I undertake to say, and do say, that in order to determine what expenditures are legally and constitutionally permitted in the various States litigation may be necessary in State after State. I undertake to say that there is no small probability of that very result occurring.

Mr. President, I have indicated already that the distinguished Senator from Ohio is of the opinion, and has so stated, and I quote him again:

That so far as the parochial schools are concerned, the recent decisions of the Supreme Court make it almost impossible for any State to give aid to any parochial schools except possibly for bus transportation.

Thus the argument in behalf of Senate bill 472 is in substance that, regardless of the so-called home-rule provisions of the bill, from which we would naturally understand that each State would have the right to determine for itself, recent decisions of the Supreme Court will make it almost impossible for the States, and therefore, under the language of the bill, for the Federal Government, to give aid to the sectarian schools except possibly for bus transportation.

Mr. President, if it be true that under the Supreme Court's recent decisions nothing substantial can be done for sectarian schools with Federal funds, how can there be any possible objection to inserting in the bill itself a specific, definite, clear, nonmisunderstandable provision prohibiting such use of those funds? If the proponents of the bill think that the decisions of the Supreme Court make it impossible, or almost impossible, that nothing except some minor matters can be done for sectarian schools with Federal funds, why not so state in the bill, so that there can be no possible misunderstanding as to what Congress is doing?

Mr. President, I pointed out on Monday of this week that the recent decisions of the Supreme Court, the Everson case, and the McCollum case, which the Senator from Ohio caused to be printed in the RECORD, have not, in my opinion, made it either impossible, or "almost" impossible, for any State to give aid to

sectarian schools, except possibly for bus transportation. To my mind, while it is true that certainly the language in each of those decisions may be used in support of the argument that nothing can be done for the various sectarian institutions, and it is possible, of course, that the court may later on use those statements in support of a decision to that effect, the fact is that neither of those decisions establishes the proposition that funds cannot be given by the States or by the Federal Government to sectarian schools. The reason why that follows, why it is not being so held, is that in neither of those cases was there presented to the court facts which involved the question as to whether funds coming from State or Federal Government may be used for sectarian schools. I shall not go into detail with respect to the facts of those two cases, but obviously the statement which I have made is correct.

Mr. President, I pointed out the other day that I am not alone in the opinion that the decisions of the Supreme Court fail to conclude this matter. I am not alone in that opinion at all. I pointed out that about 2½ months after the decision of the Supreme Court in the Everson case Representative JOSEPH BRYSON, of South Carolina, in the House of Representatives, introduced a proposed constitutional amendment to make certain the fact that these funds could not be used in this manner, and certainly no such amendment would have been necessary had the decision in the Everson case decided the legal proposition.

I pointed out in some further detail the fact that the McCollum case, which is based upon a situation in which public schools were being used with their compulsory-attendance provisions to have children brought under the influence of religious teaching, obviously is not an authority remotely upon the proposition as to whether the State itself or the Federal Government itself may take money out of its pocket and give to some sectarian school. It is not remotely within the realm of the question which is presented here today as to whether or not the use of such funds for sectarian schools would be valid.

Mr. President, I expressed the view, and I repeat it, that if Senate bill 472 shall be enacted with the provisions of section 6 contained therein, as presently written, every one of the 48 States will follow the bill as written, and in those States in which State moneys may be used for sectarian schools, we shall find that the Federal funds will likewise be used for the sectarian schools until the Supreme Court of the United States in some other new case hereafter originated perhaps from the specific State in which the situation arises, shall have held to the contrary.

So, Mr. President, I reiterate the proposition that if it be true, as has been asserted by the distinguished Senator from Ohio it is his view, that but little substantial assistance can be given by these funds to parochial schools, why not say so in the bill, instead of leaving the matter to future litigation from the respective 48 States of the Union?



The illustration was used the other day by the distinguished Senator from Ohio of reclamation appropriations. He said in substance that the State in which he lives does not need reclamation, and that my argument, as I have again outlined it here this afternoon, would be answered by the fact that it would not be permissible for the State of Ohio to say to the Federal Government, "You shall not have taxes for reclamation purposes because Ohio does not need money for reclamation."

The situation is this: The State in which I live, for illustration, does not prohibit, any more than Ohio does money going to reclamation as a matter of constitutional principle. I dare say neither the constitution of the State of Ohio nor that of the State of Missouri contains any prohibition against money going to reclamation. There is no need in Ohio, and no need in Missouri, perhaps, for reclamation, and therefore in using money which may be derived from Ohio or Missouri for reclamation in other States, the Federal Government is not doing something which is contrary to a constitutional principle of my State. I take it that the example of the reclamation law is entirely beside the point, and has no applicability whatsoever to the situation now confronting us.

Mr. President, I shall not go further into the arguments which have been presented in opposition to the amendment. I submit, first, that from a standpoint of wise public policy it is important that we, as the guardians of the Federal funds, should not permit such funds to be used for sectarian school purposes; purposes for which the great majority of the States of our Union have determined that their own specific tax-raised moneys shall not be used.

Let us look at the matter of home-rule for an instant. I may choose, perhaps, to live in a State in which no State taxes are permitted to go to sectarian schools. If Senate bill 472 shall pass as it is now written, the Federal Government will collect money from me, send it to Washington, and then when it gets to Washington distribute it in all the States, some of which may use it for sectarian schools. Therefore, Mr. President, although I have chosen to live in a State in which no State taxes go to sectarian schools, and none of my money can go by operation of taxation to sectarian schools, yet through the process of the passage of Senate bill 472 some of my money, after going to Washington, will be distributed to other States and used for sectarian schools. I submit that it is a unique type of home rule which deprives me, a resident of the State of Missouri, in which State I cannot be compelled to permit any of my money by taxation to go to sectarian schools, of such protection so far as the Federal Government is concerned when, through the Federal process, some of that money will go to other States than that in which I live, to support sectarian schools.

Mr. President, I have pointed out the fact that from the standpoint of public policy it is wise and proper that there should be such a prohibition as is incorporated in my amendment. The other day the junior Senator from Kentucky

[Mr. COOPER] made an inquiry of me, to which I made a response. I should like, near the conclusion of my remarks today, to refer back to that particular portion of the colloquy between him and myself. He said:

In listening to the Senator's argument, the question arose in my mind as to whether the Senator's amendment is advanced as a matter of policy or to support the first amendment of the Constitution, which is made applicable to the States by the fourteenth amendment.

In response, I made this statement:

Mr. DONNELL. Mr. President, that is a very proper question, and I am glad the Senator from Kentucky has asked it.

I would say that I am submitting the amendment as a matter of sound public policy. If, as a matter of fact, the first amendment of the Constitution prohibits the use of all Federal funds for any sectarian schools, there will not be need for this amendment, save only as a guidepost to which we can look in determining what the congressional desire was. In other words, if the first amendment itself had said that no Federal money shall be used for sectarian schools, or if that is unquestionably what it means, then I do not see that there would be any special need for any amendment to this bill.

I should like to supplement that statement to this effect: In my judgment it is entirely possible—yes, I should say it is more than possible; it is probable, though by no means certain—that ultimately it will be determined by the Supreme Court of the United States, as the result of protracted litigation coming from some of the States of the Union, that the use of Federal funds for sectarian schools is violative of the Constitution. However, that point has not yet been determined, and there is no way of any Member of the Senate knowing, until the Supreme Court shall have passed upon a state of facts before it, whether or not that will be the decision.

On further consideration of the question propounded by the junior Senator from Kentucky, I should like to say this: Even if we were today, this very minute, certain that under previous decisions of the Supreme Court none of these funds could be constitutionally used for sectarian or private schools, I would say today, after the consideration of the past 2 days, that it would still be advisable to adopt this amendment. Why do I say so? I say so for the following reasons:

First, because the language in lines 12, 13, and 14 of section 6 is susceptible of the construction that the term "legally and constitutionally" as therein used means legally and constitutionally under the Constitution and statutes of such State. Persuasive in favor of this construction would be the language of the senior Senator from Ohio himself, at page 3357 of the CONGRESSIONAL RECORD, where he said:

That section refers very briefly to private schools, or parochial schools. If a State, as part of its educational system, chooses to distribute money to private schools in the conduct of its educational system, then Federal funds may be used in the same way. If a State refuses to do so, the Federal funds cannot be used in that way. In other words, it is an absolutely home-rule provision.

So I say that in my opinion the language which I move to strike, in those

three lines of the bill, is susceptible, particularly in view of the statement of the proponent of the bill, of the construction that the term "legally and constitutionally" as therein used means "legally and constitutionally under the constitution and statutes of such State."

In the second place, I submit that it would be advisable to adopt this amendment even if it were certain that under previous decisions of the Supreme Court none of these funds could be constitutionally used for sectarian or private schools, for a second reason. The second reason is that, whether the word "constitutionally" refers to State or Federal Constitution, or both, the language in those three lines of section 6 is only a legal conclusion, from which one person may draw one conclusion and another may draw another.

Furthermore, it would be advisable to place in the bill the amendment which I propose because the present language of the bill leaves us in doubt as to what is meant. It is wise to make a definite statement, so that all may understand what is meant. Finally, it is sound public policy, regardless of whether the constitutional provision may ultimately be determined to prohibit such use for Congress to declare itself affirmatively, clearly, convincingly, and unmistakably opposed to the use of public funds for sectarian and private schools.

#### EXHIBIT A

#### FEDERAL ASSISTANCE TO THE STATES IN MORE ADEQUATELY FINANCING PUBLIC EDUCATION

Mr. Taft (for himself, Mr. Walsh, Mr. Ball, and Mr. Wherry), from the Committee on Education and Labor, submitted the following minority views (to accompany S. 637):

"We cannot give our support to the bill (S. 637) to authorize the appropriation of funds to assist the States and Territories in more adequately financing their systems of public education during emergency, and in reducing the inequalities of educational opportunities through public elementary and secondary schools," which has been reported by the Committee on Education and Labor, and we are submitting this statement of our views as to this legislation and of the reasons why, in our judgment, it is both unwise and inexpedient for it to pass.

#### "ANALYSIS OF THE BILL

"The current bill differs in some important respects from the bills which have been presented in previous sessions of the Senate, but which have never been given consideration by the Senate. It contains two parts, based on fundamentally different grounds.

"First, it proposes an annual appropriation of \$200,000,000 to be divided between all of the States in proportion to the average daily attendance of pupils in the elementary and secondary schools in each State. This money is to be used only for the payment of teachers' salaries. It is provided that the sum so used must be additional to any sum spent by the State for such purposes in 1942, and that the State must continue to pay out of its own funds the average annual salaries which it paid on February 1, 1943. This appropriation has no relation to equalization of educational opportunities, nor to the special conditions which may exist in any of the poorer States. While apparently only a relief measure, and stated to be for emergency purposes, there is no time limit on the authorization.

"The other portion of the bill appropriates \$100,000,000 to be used for equalizing the amounts spent for education in the various States. This means, of course, a distribution to those States which have the lowest



per capita income according to a certain formula established in the bill. It results in \$58,000,000 of the \$100,000,000 being paid to 13 States. The justification for this appropriation is based on the fact that, taking the country as a whole, existing educational opportunities and facilities are variable and unequal, and deficient in many particulars, due to a variety of causes, one of which without doubt is an insufficiency of funds; in other cases, indifference or neglect or poor economic conditions, or refusal by local communities to increase the tax burdens to the levy paid by other communities. No one who is open-minded and acquainted with the facts will dispute these premises. No one will deny that even though educational opportunities in the United States today are greater, and educational facilities are better, and our entire system of education more democratic, than anywhere else in the world, nevertheless there is much room for further improvement. There is some doubt, however, whether money alone will accomplish the betterment that is needed, or whether equalization is in any way accomplished by the provisions of the bill which is offered to the Senate.

#### "EDUCATION IS NOT A FEDERAL FUNCTION"

"Taking both parts of this bill together, it is a proposal to establish a Federal subsidy for common-school and high-school education, a function of the State governments and local governments for the last 150 years. There can be no doubt that common-school and high-school education is the obligation of the States and their local subdivisions under our constitutional system and that it is not an obligation of the Federal Government. There is nothing whatever in the Constitution which delegates to the Federal Government power to deal with questions of education. All authority for a Federal subsidy of education must be based upon the spending power, which is sufficiently broad to give a legal basis for the current bill, as for other subsidies to local government.

"However, Federal subsidies to the States for matters which are clearly not within the jurisdiction of the Federal Government are certainly only justified on the ground that the States are unable to finance adequately the activities which are constitutionally assigned to them. It is undoubtedly true that the taxing power of the States are somewhat limited, and that under some conditions the Federal Government may be in a better position to raise money where it should be raised than the States themselves. It was on this ground that the Federal Government went so extensively into the financing of relief in the great emergency of 1932. Here was a tremendous new expenditure for which no provision was made in the State systems of finance, calling for a very large sum which the States were wholly unable to raise. But as the emergency declined, the Federal Government has gradually withdrawn its aid, and relief today is again administered by the States.

"The same conditions do not at all apply to education. The States have always financed education. In nearly every State it has been given a prior consideration in dividing the funds which are available. One-third of all State and local taxes are spent for education. If the States and localities can't finance education, they can't finance any State or local activities. In many other States, school boards are independent of cities, towns, and counties, and answerable directly to the people. In Ohio and elsewhere the people of each community are authorized to vote additional tax levies on themselves for schools if they feel that more money is needed for good educational facilities. There is complete home rule in the field of education, and that is what the people want. A curious result of this bill would be to grant additional money to many public

schools in such a State as Ohio, when often the people of the community have decided that the schools don't need any more money and have refused to vote extra levies for that purpose.

#### "STATES ARE IN BETTER CONDITION THAN FEDERAL GOVERNMENT"

"There is no real evidence today that the States are unable to finance their own educational system, certainly the many large States in industrial areas which are to receive money out of the \$200,000,000 relief fund. We quote from the report made by the senior Senator from Wyoming on Tuesday, October 12, to the George postwar planning committee:

"While the national credit has been under great strain, the fiscal position of the States seems to be improving. The total debt of all of the several States of the Union as of June 30, 1943, was \$2,989,000,000. Against this may be charged the growing budget surplus in the States. At the beginning of this year this amounted to \$700,000,000, and it is now estimated by officials of the Census Bureau at about \$1,000,000,000. The sinking funds of the States on general obligations total \$430,000,000 as of June 1943, so that making allowances for the surplus and the sinking funds, the debts of the States amount to a little over \$1,000,000,000 as compared with the national debt of \$146,000,000,000.

"I have not had an opportunity to examine the fiscal position of cities and other local subdivisions, but it appears that all of the cities in the United States with a population of 100,000 or more at this moment have an unused debt capacity amounting to \$750,000,000. These figures immediately suggest the advisability of an inquiry into the ability of the States and of the cities to carry part of the burden of public responsibility in the postwar world."

"The Senator goes on to point out that many States are setting up postwar funds out of their surplus. The Senator's figures are fully supported by the bulletins of the Bureau of the Census issued from time to time dealing with State finances.

"It hardly seems that the States are in a position to demand relief from the Federal Government. As a matter of fact, they are not demanding relief. No State has come before us affirming its inability to deal with the educational problem. No legislature has passed any resolutions requesting assistance. The entire proposal is placed before us by representatives of the teachers and other educational interests, who may or may not have exhausted their remedies within the States. How ridiculous it would be for these States, operating with surpluses, to ask for relief from a government which is running a deficit of \$60,000,000,000 a year. As far as we can see, there is not the slightest justification for treating the present condition as an emergency which requires Federal financial assistance.

#### "THIS SUBSIDY WOULD BE A NONWAR ACTIVITY"

"This Congress has taken the position that all expenditures for nonwar purposes should be eliminated unless they are absolutely necessary, and that our whole attention should be devoted to the prosecution of the war. On that policy we have eliminated the Civilian Conservation Corps, the Work Projects Administration, the National Youth Administration, and many other nonwar activities. It is hard to see how any slight improvement in the educational system could be accomplished in time to have any noticeable effect in the present war. Of course every activity of the Government, if it is of any value at all, has some remote relation to the morale of the people and to the prosecution of the war, but certainly the education of minor children is as far from the war as any other civilian department of the Government.

#### "THIS IS THE START OF A REVOLUTIONARY POLICY WHICH MAY COST \$4,000,000,000"

"Apart from the nonexistent emergency feature, the Federal subsidy project has been before Congress for a number of years, promoted by the National Education Association and the Federal Office of Education, but not by the States themselves. Previous bills have been based entirely on the principle of equalization, and have all been based on the argument that because some States spend much less money per pupil than others, the way to improve education is to subsidize those States.

"The whole project is based on the assumption that the more money is spent on education, the better the education is. This conclusion is perhaps open to question. Startling ignorance regarding American history, which was discussed in the Senate last spring, certainly could not arise from lack of financial resources. It appeared among students from all over the United States, and in many instances from students who came from those States which spend the most money on education. Undoubtedly education in some States is handicapped by lack of funds, but there are other ways in which American education can be improved besides granting Federal subsidies.

"The adoption of the present bill would undoubtedly embark the Federal Government in a gradually increasing expenditure from which it would never be relieved. If we once pay from two hundred to three hundred dollars of the salary of every school teacher in the country, how can we possibly ever withdraw that support? Even if the States become richer, they will never be willing to take over this burden. Having yielded once to a very strong pressure, there will be no way in which to prevent a further yielding.

"The desires of the educators are almost without limit. The whole question of Federal aid to education is discussed in the report of the National Resources Planning Board for 1943, on page 68. That report takes the position that 'the Nation is now spending less than 50 percent of the amount needed to provide a justifiable minimum educational program.' Current expenditures and capital outlay for education in the United States are shown to be approximately \$3,200,000,000. The 'justifiable minimum annual expenditures in the postwar period' are said to be \$7,385,000,000. The report then says:

"During the years immediately following the war it does not appear probable that the total revenue available for education from State and local systems combined can be greatly increased. \* \* \* It is therefore evident that most of the increase in expenditures for education in the postwar period must be financed almost, if not entirely, by Federal funds. \* \* \* The only agency that can remedy the inequality among the States in the tax burden for education is the Federal Government. It should accept this role."

"This report was written by Dr. Floyd W. Reeves, who is also chairman of the Advisory Committee on Education, closely allied with the National Education Association and the original promoter of subsidy legislation. We see, therefore, that the real program of which this is the beginning calls for the Federal Government to finance the greater part of \$4,000,000,000 a year.

"This proposal is, in fact, the beginning of a revolutionary change in one of our most fundamental Government activities. It should not be considered except in relation to the entire postwar activities of the Federal Government.

#### "WE SHOULD NOT NOW COMMIT THE FEDERAL GOVERNMENT TO ANY NEW TYPE OF EXPENSE"

"The Federal Government faces after the war a tremendously serious financial problem.



The annual charge for interest alone will amount to \$5,000,000,000. At least \$5,000,000,000 will be necessary for the armed forces. At least \$5,000,000,000 will be required for existing services, with some moderate increase in expenditures for social-security purposes. Many other new items of expense will be clamoring for consideration. We do not know where the point is, but there is a point at which the burden of government will become so great that it will choke all incentive, initiative, and enterprise. At some point we can kill the goose that lays the golden egg, and force the entire country into a socialistic strait-jacket. It seems most unwise to commit ourselves now to any policy which will increase the difficulty of the post-war problem. If expenditures for education are to be undertaken, they should be undertaken when we have the whole problem before us, and can consider the relative merits of each proposal in relation to the over-all expense.

**"FEDERAL SUBSIDY WOULD DESTROY LOCAL SELF-GOVERNMENT IN EDUCATION"**

"There is an even more important question. Can Federal subsidies to the public-school system be maintained without ultimately bringing about a nationalization of our educational facilities and federalized bureaucratic control? This is an eventuality which the proponents of the present bill insist is not intended and which they maintain can be avoided. They contend that by the provisions of section 1 the danger is removed. We seriously question this conclusion. We believe that in the complexity of reports, of plans, of State legislation to conform to Federal policies, of counsel and advice and joint participation of the Federal Government and the States, and all of the other manifold details of the operation of the contemplated program of Federal subsidies, our public-school systems would be gradually, but no less inevitably, drawn more and more under the thumb of a Federal bureaucracy.

"We have pointed out that the ultimate plans call for the Federal Government assuming perhaps half the cost of education. Our experience with the social-security laws and many others lead to the definite conclusion that Federal subsidy in the end means Federal control. Those who put up the money and have the power to refuse it dictate the policies of the local officials. Federal bureaucrats travel the country, checking upon the expenditures and the policies of every school board and other local officials. Of course, the very provisions of the act itself contradict in some respects the pious declaration of section 1 against any Federal officer controlling the administration of State schools. Under the provisions of this bill, schools would be unable to decrease their teachers' salaries or their current expenditures for schools, whether those expenditures had been extravagant in the past or not. Under the provisions of this bill, every cent of the \$200,000,000 must be spent for teachers' salaries, and not for any other necessary school purposes. Under the provisions of this bill, a new system of reports must be set up from all local schools to a State educational authority. These provisions may not require substantial changes in school administration, but they illustrate the principle that it is impossible to give Federal money without controlling to some extent the expenditure of that money and the administration of the schools which spend it. If the amount is increased, it is inevitable that Congress and the Federal authorities will insist upon the natural right to state the conditions of administration on which Federal funds are provided.

"Of course, the same thing is true of all Federal-aid programs, but the effect is much worse in the case of education. It is unnecessary to expand on the tremendous danger of centralized control of education, because the authors of the bill agreed to those dan-

gers when they wrote section 1. Centralized control of education gives a power to the central government far beyond that of any other control, as Hitler has illustrated in Germany. It places the whole character and knowledge of the people in the hands of a Federal bureau. That bureau is more than likely to be guided by some small group of men who believe in this method of education or that method of education. It transfers the control from the people of each district to a man or men wholly beyond the control of public opinion.

"The people don't want it. There is no matter upon which they are more insistent than local control of education. There has been difficulty in centralizing schools even on a township basis, because the people of each district want to run their own schools. We feel that the bill before us would be the beginning of the end of local self-government in education.

**"THIS BILL DOES NOT EQUALIZE"**

"The strongest argument for the bill is that we must equalize educational opportunity throughout the United States by providing substantially the same amount of money for the education of each child. We have pointed out that money is only one of the factors in education. A \$40 education in some places may be much better than a \$60 education in another. But beyond that, this bill does not equalize. Some of the greatest discrepancies occur within a particular State. Some school districts may be very wealthy, where others may be very poor. State equalization does not exist in many States, and there is nothing in this bill to compel it. Within single States there may be wide differences in the money expended on children of different races.

"Thus on page 19 of the hearings before the Committee on Education and Labor, we find that in Louisiana the cost per white pupil is \$61.21, whereas the cost per Negro pupil is \$12.62. Nothing in this act requires any equalization between white and Negro pupils. It is true that the bill requires the Federal funds to be distributed on an equitable basis between white schools and Negro schools, but it does not change the distribution of Louisiana funds. The result, as shown in the hearings under this bill, would be that white students would be educated at an expense of \$76.40 apiece as compared to \$23.61 per Negro student. The difference would be \$52.79 after the passage of the bill, as compared to \$48.59 today.

"The bill, therefore, does not do the very thing which it is supposed to do. Equalization, as a matter of fact, cannot be secured except by complete Federal control and direction. Everyone agrees that complete Federal control and direction are worse than the inequality which now exists. It may be fairly argued that if the States and local communities are to be left alone to run their schools as they see fit, and to spend Federal moneys for school subsidies as they see fit, such an arrangement is indefensible from the standpoint of the Federal Government and the taxpayers generally. Congress ought not to give away Federal funds to the States, with no Federal control over the spending of the funds. If on the other hand, the Federal Government is to retain control over the expenditures and to dictate them, then it means Federal control of education—an alternative equally obnoxious. There is no middle ground.

"Since the bill proposed does not in fact equalize, it is nothing except a subsidy for the increase of teachers' salaries. Such a subsidy is wholly unjustified when the States are better off financially than the Federal Government. We may admit that many teachers are underpaid, but there may be many who are not underpaid. This bill proposes to increase the salary of every teacher. Certainly Congress is not in a position to judge of the correctness of such a policy.

**"CONCLUSION"**

"We do not subscribe to the doctrine that because our public schools and our educational facilities are a vital element in our national welfare, they thereby become the proper concern and implied responsibility of the National Government.

"Our schools are one of the few remaining bulwarks of local self-government and community enterprise. They should so remain. They have on the whole been well managed and generously supported. We have today too much centralization of control over the affairs of our citizens in a Federal bureaucracy. We should not add to it by this new excursion into the field of education."

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Missouri [Mr. DONNELL].

Mr. DONNELL. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. AIKEN. Mr. President, before a vote is taken on this amendment I wish again to protest as vigorously as possible against the adoption of the amendment offered by the Senator from Missouri. The committee has done the very best that I think any human minds can do to safeguard the rights of the States against Federal domination or Federal dictation in the field of education. If there is any better wording to accomplish this purpose than that which is contained in section 2, I do not know what it is. But I do not want to see this section nullified in any way by the adoption of any amendment which undertakes to tell the States how they shall spend any money which may be allocable to them under the provisions of the proposed legislation.

The amendment offered by the Senator from Missouri infringes very much upon the rights of my own State and at least 21 other States of the Union which provide in greater or lesser degree for public assistance to pupils attending private schools. This assistance is provided in the form of transportation to the school, payments of tuition to private schools, or furnishing textbooks to the children in private schools. Each State decides for itself what it shall do in that respect; but I maintain that each State must keep within the constitution of the State and the Constitution of the United States in so doing.

In my own State every town—and the town is the unit of government—is required to furnish a high-school education to all children who desire to attend high school; and most of them do these days. We have only 5 towns in the State of 10,000 population or more. Most of our towns are small. Most of them are poor. They must make every dollar count, whether it is for education or for any other purpose. But so far as education is concerned, we are an old State.

We have scattered throughout our State, in the small towns, numerous small high schools or academies, as they are called. They are financed partly by private funds, by endowment. Some of them are 100 years or more old. The towns in which they are located utilize them as the local high school. They serve the purpose of a high school. The town is required by State law to pay tuition to these academies, which are



located within their boundaries. Thousands of boys and girls have received a high-school education by attending these technically private, but actually public, schools. If it were not for the privilege of attending these schools, many of our children would never get to high school at all. Some of the towns where they are located are many miles from the nearest public high schools.

So, Mr. President, I ask the Senate not to adopt the amendment of the Senator from Missouri, which would have the effect of making it difficult for thousands of our boys and girls to obtain a high-school education. We ask only that we have the right to educate our children in our own way, without any interference or dictation on the part of the Federal Government. When any funds are provided by the Federal Government and are paid to the State, we certainly do not want to have to set up two separate bookkeeping accounts, to keep the expenditures made from the Federal Government funds separate from those made from the State funds.

I believe the amendment is a bad one. As I have said, 22 States already provide some degree of assistance to the children in the private schools. Let us keep our States' rights inviolate. In section 2 of this bill we have done so. I am satisfied that we have done that insofar as it is humanly possible to do so. We have strictly prohibited Federal dictation or domination. So let us continue to do so.

Mr. President, I hope the amendment will be decisively defeated.

Mr. DONNELL. Mr. President, I should like to make it perfectly clear that I am not in opposition at all to the school-lunch bill or anything of that sort. I would be in opposition to inserting any provision of that kind into this bill, because this bill is an educational bill. Its title reads as follows:

To authorize the appropriation of funds to assist the States and Territories in financing a minimum foundation education program of public elementary and secondary schools, and in reducing the inequalities of educational opportunities through public elementary and secondary schools, for the general welfare, and for other purposes.

Mr. President, I voted for the so-called school-lunch bill. Although I think no such provision has any place whatsoever in this bill, which is an educational bill, I wish it distinctly understood that by this amendment I am not in the slightest degree taking a position adverse to an appropriate, proper bill providing for the various services of a health nature or of a lunch nature to the children themselves. Such a situation is entirely different from one in which the Federal Government or the State governments would, by means of the administration of either State or Federal funds, control the educational policies of the schools. I wish to make that clear.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Barkley	Bridges
Baldwin	Brewster	Brooks
Ball	Bricker	Buck

Byrd	Holland	Overton
Cain	Ives	Pepper
Capehart	Jenner	Revercomb
Capper	Johnson, Colo.	Robertson, Va.
Chavez	Johnston, S. C.	Robertson, Wyo.
Connally	Kem	Russell
Cooper	Kilgore	Saltonstall
Cordon	Knowland	Smith
Donnell	Langer	Sparkman
Downey	Lodge	Stennis
Dworschak	McCarran	Stewart
Eastland	McCarthy	Taft
Eaton	McClellan	Thomas, Okla.
Ellender	McFarland	Thomas, Utah
Ferguson	McGrath	Thye
Flanders	McKellar	Tobey
Fulbright	McMahon	Umstead
George	Magnuson	Vandenberg
Green	Malone	Watkins
Gurney	Millikin	Wherry
Hatch	Moore	White
Hawkes	Morse	Wiley
Hayden	Myers	Williams
Hickenlooper	O'Connor	Young
Hill	O'Daniel	
Hoey	O'Mahoney	

The PRESIDING OFFICER. Eighty-five Senators having answered to their names, a quorum is present.

The question is on agreeing to the amendment offered by the Senator from Missouri [Mr. DONNELL].

Mr. DONNELL's amendment is as follows:

On page 19, strike out lines 12, 13, and 14 and insert in lieu thereof a colon and thereafter the following: "Provided, That no funds appropriated under this act shall be disbursed in any State for the support or benefit of any sectarian or private school."

The PRESIDENT pro tempore. The yeas and nays having been ordered previously, the clerk will call the roll.

The Chief Clerk called the roll.

Mr. WHERRY. I announce that the Senator from South Dakota [Mr. EUSFIELD], the Senator from Pennsylvania [Mr. MARTIN], and the Senator from Iowa [Mr. WILSON] are unavoidably detained.

The Senator from Nebraska [Mr. BUTLER] is absent by leave of the Senate.

The Senator from Kansas [Mr. REED] is detained on official committee business.

Mr. HILL. I announce that the Senator from Montana [Mr. MURRAY] is absent by leave of the Senate.

The Senator from Idaho [Mr. TAYLOR] is absent on public business.

The Senator from Maryland [Mr. TYDINGS] is absent because of illness.

The Senator from New York [Mr. WAGNER] is necessarily absent.

The Senator from Illinois [Mr. LUCAS] and the Senator from South Carolina [Mr. MAYBANK] are absent on official business.

I announce further that, if present and voting, the Senator from Montana [Mr. MURRAY] and the Senator from New York [Mr. WAGNER] would vote "nay."

The result was announced—yeas 5, nays 80, as follows:

YEAS—5		
Donnell	McClellan	Umstead
Johnston, S. C.	O'Daniel	
NAYS—80		
Aiken	Chavez	Green
Baldwin	Connally	Gurney
Ball	Cooper	Hatch
Barkley	Cordon	Hawkes
Brewster	Downey	Hayden
Bricker	Dworschak	Hickenlooper
Bridges	Eastland	Hill
Brooks	Eaton	Hoey
Buck	Ellender	Holland
Byrd	Ferguson	Ives
Cain	Flanders	Jenner
Capehart	Fulbright	Johnson, Colo.
Capper	George	Kem

Kilgore	Morse	Stewart
Knowland	Myers	Taft
Langer	O'Connor	Thomas, Okla.
Lodge	O'Mahoney	Thomas, Utah
McCarran	Overton	Thye
McCarthy	Pepper	Tobey
McFarland	Revercomb	Vandenberg
McGrath	Robertson, Va.	Watkins
McKellar	Robertson, Wyo.	Wherry
McMahon	Russell	White
Magnuson	Saltonstall	Wiley
Malone	Smith	Williams
Millikin	Sparkman	Young
Moore	Stennis	

#### NOT VOTING—11

Bushfield	Maybank	Tydings
Butler	Murray	Wagner
Lucas	Reed	Wilson
Martin	Taylor	

So Mr. DONNELL's amendment was rejected.

Mr. DONNELL. Mr. President, I send to the desk an amendment which has been lying upon the table. I offer it at this time.

The PRESIDING OFFICER. The clerk will read for the information of the Senate the amendment offered by the Senator from Missouri.

The CHIEF CLERK. It is proposed on page 25, immediately following line 21, to insert the following:

Sec. 10. The Secretary of the Treasury is authorized and directed, beginning with the fiscal year ending June 30, 1949, to deposit for each year in a special fund in the Treasury of the United States proceeds of taxes, duties, imposts, or excises in an amount equal to the aggregate of the amounts authorized to be appropriated for such year under this act. Amounts deposited in such fund shall be available for expenditure only pursuant to appropriations made under authority of this act, and no moneys shall be payable on any of said appropriations except from said fund. Any amounts remaining in the fund after the expiration of the period for which such amounts are available for expenditure shall be covered into the general fund of the Treasury.

On page 25, line 23, change the numeral "10" to the numeral "11."

Mr. TAFT. Mr. President, the amendment is acceptable to me. The distinguished Senator from Missouri has presented amendments of this kind in connection with other State-aid bills. It emphasizes the fact that our action is based solely on the general welfare clause, and it therefore arises only out of our power to tax in order to provide for the general welfare. It simply means that the money for this purpose must be taken out of taxes and cannot be taken out of deficits. I am quite willing to accept the amendment. I have already accepted such an amendment to the health bill which was considered in the committee. While I think the amendment is unnecessary, I recognize the argument of the Senator from Missouri, and I can see no possible danger in the provision.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. TAFT. I yield to the Senator from Kentucky.

Mr. BARKLEY. The Senator knows that out of certain revenues derived from duties, imposts, and so forth, we have set apart a certain amount for agricultural purposes. I think it is 30 percent. What effect would this proposed provision have on that?

Mr. TAFT. It would have no effect. The Secretary of the Treasury could take



the money out of income taxes or excise taxes. It does not have any effect, so long as the Government has a surplus.

Mr. BARKLEY. It is not identical with the fund to which I have referred, is it?

Mr. TAFT. No.

Mr. KILGORE. Mr. President, will the Senator yield?

Mr. TAFT. I yield to the Senator from West Virginia.

Mr. KILGORE. Is it based upon the amount credited to a particular State in income-tax payments?

Mr. TAFT. The Secretary of the Treasury is directed to take out of tax receipts the amount appropriated, to be distributed to the States.

Mr. PEPPER. Mr. President, will the Senator from Ohio yield?

Mr. TAFT. I yield.

Mr. PEPPER. Will the Senator state again the technical significance of the amendment?

Mr. TAFT. There is no right on the part of the Federal Government to regulate education set out in the Constitution. That right is left to the States. The State aid contemplated in the pending bill, as in many other cases, rests upon the general-welfare clause of the Constitution, which authorizes the Government to lay and collect taxes, duties, imposts and excises, to pay the debts and provide for the common defense and general welfare of the United States.

It has been held by the courts that that power is subordinate to the power to tax. There is no general power to provide for the general welfare. The power is to levy taxes to provide for the general welfare. Consequently, the Senator from Missouri wishes to make it clear that if we are to provide for the general welfare, under that clause, we must take the money out of the taxes which are levied, connect it up with taxes as provided in the Constitution. The Government cannot simply borrow the money and spend it. I think the point is technically sound. However, I have no doubt of the constitutionality of the bill even if that language be omitted.

Mr. PEPPER. Mr. President, I wish to protest, at least as one Member of the Senate, against the passage of the pending bill upon any such narrow constitutional theory as that. I think it sets a dangerous and bad precedent. If that principle is to be applied to the legislation now proposed, logically, I would assume, an effort would be made to apply it to other legislation, and the first thing we know we will find the power of the Congress to provide for the discharge of its functions constantly curtailed and hemmed in by precedent after precedent.

It seems to me that there is ample authority in more than one section, at least, of the Constitution for the enactment of this legislation, and I see no reason for limiting the authority to any one section or one provision of the Constitution.

Mr. TAFT. Can the Senator cite any other provision of the Constitution?

Mr. PEPPER. Not only might it come under the general-welfare clause, but it could certainly come under what we might call the catch-all provisions of the Constitution.

Mr. TAFT. I do not know of any catch-all provision of the Constitution.

Mr. PEPPER. I refer to the provision in the Constitution which gives Congress the power to do whatever is necessary to carry out the explicit powers conferred upon the Congress by the Constitution.

The Government has many specific obligations, one of which is to provide for the common defense, and certainly I can see nothing more nearly related to the common defense than the strength and intelligence of the citizenry of the country. I do not dissociate the pending proposed legislation from the power of the Congress to aid in supporting public health. I do not see anything in the Constitution which specifically gives Congress power to provide for the public health, but if we had a nation of disabled people, if we had a nation of citizens smitten by disease, we certainly would not have a strong republic. If we had to base the legislation upon the power of the Congress to provide for the common defense as well as for the general welfare, I think we would have the authority under the Constitution to aid the States in providing for a healthy, strong, skilled, and intelligent citizenry.

There are other provisions of the Constitution which I think could properly be called upon to support the authority of the action which is contemplated today. It has been the precedent in the past to appropriate money out of funds in the Treasury not otherwise appropriated, and I see no reason why that principle should not be applicable in the instant case. So far as I can see, it makes no difference whether the funds in the Treasury are derived from an excise tax or from an income tax, or whether they are the proceeds of securities issued by the Treasury to meet the appropriations of the Congress. We appropriate money out of funds in the Treasury not otherwise appropriated, and now especially, it seems to me, since Congress has a new authority, under the Reorganization Act, which it never generally had before, to consider the revenues which may be required in connection with appropriations which may be made, we are still the masters of the purse and of the Public Treasury.

Why do Senators wish to establish the precedent of limiting the funds out of which the expenditures to support this legislation may be made, going through the fiction of having the Secretary of the Treasury assign money to meet such appropriations which theoretically came from current taxes, and not funds otherwise obtained, saying that those funds alone are available for the appropriations to meet the cost of this bill?

Mr. President, it seems to me that, first, we would unduly limit the power of the Congress to act; secondly, we would establish a precedent which would be likely to be embarrassing, if not burdensome to the Congress, in the days ahead of us.

I would much prefer a vote on the amendment, but for myself, at least, I wish to have it distinctly understood that I do not accept this amendment,

thinking it contrary to the Constitution and to sound public policy.

Mr. DONNELL. Mr. President, will the Senator from Ohio yield?

Mr. TAFT. I yield to the Senator from Missouri.

Mr. DONNELL. I think the Senator from Ohio is exactly correct in his theory of the bill. The Senate will doubtless recall that on Wednesday of last week I asked the distinguished Senator from Ohio this question.

Mr. DONNELL. Without stating any position with respect to the instant bill, I should like to ask the senior Senator from Ohio where in the Constitution of the United States he finds any authorization for legislation of this type.

Mr. TAFT. The authorization must be found, of course, in my opinion, under the general welfare clause, namely, the right to tax to provide for the general welfare. I agree with the Senator that if he wants to offer a taxing amendment I should be glad to accept it. The general welfare clause provides, in effect, that Congress shall have power to levy taxes to provide for the general welfare. I think the decisions hold that if taxes shall be so levied the money may be so spent. I do not think the Federal Government has any constitutional power to regulate education or to regulate health in the States. I think that if some such amendment comes up later there may be a good constitutional objection, but I believe there is no doubt about the power of the Federal Government to extend State aid in fields in which there is not adequate power for the States themselves to take action.

Mr. President, the Constitution of the United States, to my mind, will be searched in vain for any authority other than the general welfare clause which would authorize and justify the proposed legislation. Section 8, article I of the Constitution, subdivision I, reads:

The Congress shall have power to lay and collect taxes, duties, imposts and excises to pay the debts and provide for the common defense and general welfare of the United States; but all duties, imposts and excises shall be uniform throughout the United States.

The Senator from Florida referred to what he called the catch-all clause. I have never before heard of a catch-all clause in the Constitution. There is this clause, which possibly is the one to which he refers. The concluding clause of section 8 reads:

To make all laws which shall be necessary and proper for carrying into execution the foregoing powers, and all other powers vested by this Constitution in the Government of the United States, or in any department or officer thereof.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. DONNELL. Let me first complete this. It has been distinctly held by the Supreme Court of the United States, in the case of *United States v. Butler* (297 U. S.), quoting from page 64, as follows:

The view that the clause—

Referring to the so-called general welfare clause—

The view that the clause grants power to provide for the general welfare, independently of the taxing power, has never been authoritatively accepted.

Mr. Justice Story points out that if it were adopted "it is obvious that under color of



the generality of the words, to 'provide for the common defense and general welfare'—

I interpolate that that is the very language to which the Senator from Florida is referring, "the common defense and general welfare"—

Mr. Justice Story points out that if it were adopted "it is obvious that under color of the generality of the words 'to provide for the common defense and general welfare,' the Government of the United States is, in reality, a Government of general and unlimited powers, notwithstanding the subsequent enumeration of specific powers."

Concluding this paragraph, the opinion in the Butler case says:

The true construction undoubtedly is that the only thing granted is the power to tax for the purpose of providing funds for payment of the Nation's debts and making provision for the general welfare.

Mr. President, we are here discussing something not merely technical, but something fundamental. We are undertaking to say in the particular language which I have suggested by way of amendment, that we shall abide by the so-called general welfare clause; not that we shall, without any limitations whatsoever, relying perhaps upon deficit financing, legislate under color of the general defense clause and general welfare clause, to which the Senator from Florida refers. We are here taking our position under the "general welfare" clause, so-called. I think the very proper recognition with which the distinguished Senator from Ohio instantly responded the other day, that the authorization, and I quote him again—

Must be found, of course—

In his opinion—

under the general welfare clause—

Namely, the right to tax and provide for the general welfare, is indicative of the fact that he is right upon the proposition which he so clearly and without qualification asserted.

I insist, Mr. President, that this is important, both because of the fact that it complies with the Constitution, but also because of the very fundamental fact that it at least sets a precedent against the use of deficit financing, against the use of taxes other than duties, imposts, and excises for payment of expenses incurred under the general-welfare clause.

Mr. BARKLEY. Mr. President, will the Senator from Ohio yield?

Mr. TAFT. I yield.

Mr. BARKLEY. I should like to address an inquiry to the Senator from Missouri. Accepting the basis of his argument that we must interpret the general-welfare provision in connection with the power to tax, is it not true that we must do the same in regard to the common defense, because both of those phrases seem to me to have equal validity and equal force?

Mr. TAFT. I may answer that question by saying that later, in paragraphs 12, 13, 14, and 15, the Constitution gives specific power to Congress "to raise and support armies \* \* \*; to provide and maintain a Navy; to make rules for the government and regulation of the land and naval forces, and to provide for calling forth the militia."

So we not only have the power to tax for the common defense, but we also have power to tax for the general welfare.

Mr. BARKLEY. Mr. President, I had not finished my interrogatory. Assuming the words "common defense" and "general welfare" have equal validity in that portion of the Constitution, we all know that we have frequently borrowed money in order to provide for the common defense, and that we owe a very considerable sum now in the way of a public debt because we have borrowed money to provide for the common defense. Therefore, if we assume that the Constitution limits the power of taxation to the general welfare, and does the same with respect to the common defense, is it the argument of the Senator from Missouri that if it were necessary to borrow money in order to provide for the general welfare just as it may be for the common defense, that would be an illegal exercise of the power to borrow money under the provisions of the Constitution of the United States referred to by the Senator from Ohio?

Mr. DONNELL. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. DONNELL. I suggest to the Senator from Kentucky that, as pointed out by the Senator from Ohio, there is a distinct and specific power—

to raise and support armies \* \* \*; to provide and maintain a Navy; to make rules for the Government and regulation of the land and naval forces; to provide for calling forth the militia to execute the laws of the Union—

And so forth. Obviously these are specific clauses which go to the point of provision for the common defense. There is a particular clause in section 8, which the Senator from Kentucky will recall, of course, namely:

To borrow money on the credit of the United States.

Inasmuch as we have specific power to raise and support armies, provide and maintain a navy, and perform these other acts for common defense, I think that obviously we may borrow money on the credit of the United States for this purpose, but I maintain equally, that there is no provision other than the so-called general-welfare clause that even remotely grants any power to Congress to deal with subjects relating to the general-welfare other than the subjects which are specifically subjoined below the general-welfare clause.

I should like to present one further fact, that the only other mention, from the beginning to the end of the Constitution, as the Senator from Kentucky will recall, of the general welfare, is that which appears in the preamble to the Constitution, which has been distinctly held by the Supreme Court of the United States not to confer legislative power.

Mr. BARKLEY. Mr. President, will the Senator from Ohio yield?

Mr. TAFT. I yield.

Mr. BARKLEY. I understand that. There has long been a controversy, and notwithstanding the decision of the Supreme Court, there is yet a controversy in the minds of many people that the punctuation of article 8 referred to by the

Senator from Missouri and by the Senator from Ohio might equally well have been interpreted to mean that not only could the Congress levy taxes, not only could it provide for the common defense, not only could it provide for the general welfare, but it could go on and do all these other things. Now the Constitution does specifically mention the raising of armies, but it is conceivable that the common defense of the United States may go further than the mere raising of armies and providing for a navy. We have exercised wide legislative jurisdiction over many subjects in time of war or in emergency that did not involve specifically the raising of armies or the equipping of a navy, on the basis that it was necessary to the common defense of the United States. My contention is that the words "common defense" have no more power, no more validity, than the words "general welfare," and that whatever we can do under section 8 in the interest of our common defense we can do in the interest of the general welfare.

Mr. DONNELL. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. DONNELL. As to the point made by the Senator from Kentucky concerning the dispute and controversy which has raged for many years, or did rage with respect to the punctuation of this particular portion of section 8 of the Constitution, I submit that that controversy was long since resolved. I quote at this point from a book written by the distinguished former Assistant Attorney General of the United States, author of the Supreme Court in United States History, Mr. Charles Warren, where, after referring to Mr. Justice Storey, he said:

[Judge Storey] after disposing of the theory that the general-welfare clause vested an independent and distinct power in Congress, adopted, himself, the following interpretation: That the power to levy taxes was granted for the purpose of paying the public debts, and providing for the common defense and general welfare; that Congress may lay a tax in order to pay for anything which it can reasonably deem to be for the common defense and general welfare.

I call further to the attention of the Senator from Kentucky that in the Butler case it is distinctly stated at page 64:

The Government concedes that the phrase "to provide for the general welfare" qualifies the power "to lay and collect taxes."

Mr. BARKLEY. Mr. President, will the Senator from Ohio again yield?

Mr. TAFT. I yield.

Mr. BARKLEY. Does the Senator from Missouri contend that the provision referred to by the Senator from Ohio, that Congress shall have power to borrow money on the credit of the United States, has no limitation whatsoever as to its purpose?

Mr. DONNELL. I think it does. I do not think we can borrow money to pay the expenses of those items of legislation covered by the term "general welfare" except insofar as those particular items are contained in the specific subjoined items which appear below the so-called general-welfare clause.

Mr. BARKLEY. I do not want to prolong the argument, but I wish merely to make this observation, that I think the



general power conferred upon Congress to borrow money on the credit of the United States is coextensive with the power of Congress to act under that article of the Constitution, whether it is in the interest of the common defense, in the interest of the general welfare, or for the purpose of raising an Army or equipping a Navy, or doing all the other things set forth in that section of the Constitution.

Mr. TAFT. Mr. President, it is really very pleasant to hear the Constitution discussed here as it has not been discussed for many years, while I have been in the Senate. I want only to add one word. The reason I sympathize with the view of the Senator from Missouri rather than the view suggested by the Senator from Kentucky is this: If the Senator from Kentucky is correct, there is no limit whatever to the power of the Federal Government, because anything may be for the general welfare of the United States, or so alleged to be, and if we have general power to legislate for the general welfare there is no restriction whatever on what the Federal Government may do. The independence of the States then disappears entirely from the whole constitutional picture.

Mr. BARKLEY. Mr. President, I would not agree with that interpretation. That is not the interpretation which ought to be placed upon my observation. My observation is this, and I repeat it, that the Constitution confers upon Congress power to borrow money for any purpose the Constitution authorizes the Congress to take action upon, whether it be the common defense or anything else. The common defense might relate to the Army and the Navy, and the founders might well have left out any specific reference to armies and navies, because the "common defense" obviously includes provisions for an army or a navy, or any other agency that would provide for the common defense.

I do not believe that to interpret the power to borrow money as I have indicated gives the Federal Government unlimited power to wipe out the States, or to do anything except what the Constitution itself authorizes Congress to do in carrying on the Government of the United States.

Mr. TAFT. The Senator would interpret the words to read, "Congress shall have the power to provide for the general welfare." If there is any such general grant of power in the Constitution, there is no limit on what Congress may do, so far as I can see. I think that interpretation has been repudiated by the courts, and I think we should adhere to the decisions of the courts.

Mr. BARKLEY. I am not questioning the validity of the Supreme Court decisions. What I am saying is that Congress can borrow money under the Constitution for any purpose with regard to which it is authorized to take action. It can provide for the common defense. The Constitution says that the Congress shall have power to lay and collect taxes, duties, imposts, and excises, and to provide for the common defense; but there is no prohibition against borrowing money for the common defense if the amount of money raised by taxes is not sufficient. We have done that.

Mr. TAFT. The point is that the only reference to the general welfare, and the only authority given, is to levy taxes for the general welfare. That is all. There is no power to borrow money for the general welfare. There is only power to tax for the general welfare. Therefore it seems perfectly obvious to me that under the general welfare clause we have what is called the spending power. The courts have held, in effect, that there is no limit to that spending power; but it is a spending power derived from taxation. The money is derived from taxation, under the first clause of section 8.

Mr. BARKLEY. Under that limitation we could not provide for the common defense by borrowing money. We would have to limit expenditures for the common defense to taxes.

Mr. TAFT. No; because there is specific power to raise armies and navies, and do all the things which are interpreted, in a broad way, as covering every feature required in war. That is a part of the common defense of the country.

Mr. GEORGE. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. GEORGE. This is a most interesting discussion, and it would have been pertinent during the first 25 years of the Republic, because it was insisted by most of the interpreters of the Constitution in the beginning that the language with respect to providing for the general welfare did not grant any power, but that it was in fact a limitation upon powers subsequently granted, as well as the power to tax. But we have long since departed from that interpretation. The liberal constructionists won in that long and interesting fight, but not until a great many very eminent men in this country had expressed the view that these general words following the power to levy taxes were not an express grant of power, but a limitation upon what we could do with taxes, and what we could do with other specific powers which were granted thereafter. So we are here debating an entirely moot question, one which was settled long ago, not only in practice, but by the decisions of the courts.

My objection to the Senator's amendment is simply this: He places upon the Secretary of the Treasury a perfectly needless job of separating out of the tax moneys a certain sum of money to be set aside and kept—I presume inviolate—for the purpose of taking care of this particular appropriation. If that can be done with respect to this money, it can be done with respect to many other funds. I submit that it would place upon the Secretary of the Treasury a wholly unnecessary burden. I do not believe that at this late day anyone can argue that the words in this particular section of the Constitution to which reference is made can longer be construed merely as a limitation upon the powers granted, because certainly this Government has departed from that theory since time out of mind.

Many textbooks were written upon the subject. As a matter of fact, the question is entirely moot. It is not even a modern question. Therefore I cannot see why it is necessary to require the

Secretary of the Treasury to set up a special fund, which he must take entirely out of taxes, and pay no attention to other receipts coming into the Treasury.

Mr. DONNELL. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. DONNELL. I agree with the Senator from Georgia that the question is moot, but I agree with him only to that extent. I think it is moot in exactly the opposite sense from that to which he refers.

It was not merely 20 or 30 years after the beginning of the Republic that the decision in the Butler case was rendered. The Butler case was decided in the October term, 1935. After referring to the general welfare clause, the opinion stated:

The view that the clause grants power to provide for the general welfare independently of the taxing power has never been authoritatively accepted.

I have before me—I shall not burden the Senate with them—various observations from Justices and authorities pointing out the controversy which arose early in the history of this country, as to whether or not this clause, because of the punctuation, or for any other reason, gave an independent general welfare power. I think it has been settled decisively by the Supreme Court that it does not.

With respect to the question of inconvenience to the Secretary of the Treasury, I cannot see any very great difficulty in the Secretary of the Treasury setting up a fund of \$300,000,000 out of \$40,000,000,000 derived from taxes, duties, imposts, and excises.

I conclude with one or two sentences. I believe that the term "general welfare" is one which, under the decisions of the Court, Congress has a right to determine for itself. Congress has a right to determine what is for the general welfare; but it still remains true that there is no independent power in Congress to provide for the general welfare, except insofar as that general welfare is embraced within the specific subjoined sections, and except as Congress derives power under the taxing clause.

Mr. TAFT. Mr. President, while the discussion is very interesting, the particular amendment does not seem to me to make any very great difference. I am willing to accept it or not, as the Senate wishes to decide. I think we might vote on it.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. BARKLEY. I am perfectly willing to vote on it; but inasmuch as I have injected an argument which has been described as moot, I should like to say just a word.

Accepting the decision of the Supreme Court in the Butler case that we cannot consider the general welfare independent of the taxing power, I still contend that there is no decision of the Supreme Court, so far as I know, that says that Congress may not borrow money on the credit of the United States for any purpose for which it may levy taxes. That



is the only question I raise. I do not know that it is important whether this amendment is adopted or is rejected; but if we have the power to tax the people for the common defense, we can borrow money for the common defense. If we have the power to tax the people to pay the debts of the United States, we have the power to borrow money from one source in order to pay debts we owe in another direction. Therefore, if we have the power to levy taxes for the general welfare of the United States, we have the power to borrow money to be expended for the general welfare of the United States. That is not inconsistent with the decision in the Butler case.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. HOLLAND. If I may comment briefly, it seems to me that the question is not a constitutional question, because I think there is not the slightest doubt that this measure comes under the general welfare clause. Second, there is not the slightest doubt that the Congress could, if it wished to do so, earmark funds for this purpose and many other purposes. As a matter of fact, if it should embark upon earmarking and special fund allocation, it could very easily create hundreds of special funds, because so few of the purposes for which revenue can be expended are specifically set out in the Constitution. Almost all the money we appropriate here could, if the Congress saw fit to do so, be made the basis of special funds, by which certain portions of the revenue would be earmarked and would require segregation; and, as the distinguished Senator from Georgia has said, this would entail a vast amount of additional book work and bookkeeping.

So far as I am concerned, it seems to me that the real objection to this amendment is that it would embark the Congress on a course of earmarking funds and setting up special funds.

The distinguished Senator from Missouri will recall that in the various conferences between the Governors of the several States which he attended, one of the subjects which caused most discussion and the utmost of trouble related to the fact that so many of the States had gotten into the very bad practice of earmarking the sources of revenue and then setting up special funds dedicated to special objectives. The distinguished Senator will remember that the Governors made special efforts in their own States to do away with that practice. I know that in my own State only recently have we gotten away from a practice by which several hundred special funds were set up, with the result that money for such special objectives was paid out from the treasury of the State from those special funds.

I think we shall embark on a practice which is not only dangerous but hurtful in the extreme, instead of helpful, if we earmark money as special funds. I do not think such a plan would help the bill. To the contrary, I think it would hurt it. I think it would embark the Congress of the United States upon a very doubtful program which would be

found to be hurtful to the Nation and would entail a vast amount of additional bookkeeping. We might find ourselves in the situation in which several States which I could mention have found themselves in recent years, when they had a great deal of money, but had it locked up in various special funds, so that they could not reach it for the special purposes then needing attention. So they found themselves in real difficulty.

This is the first approach since I have been a Member of this body to a system which I think is a bad one, and which I hope the Senate will refuse to approve. So I hope the Senate will reject the amendment. I think it is bad fiscal practice to set up special funds out of which special objectives have to be subserved.

For that reason I strongly oppose adoption of the amendment.

Mr. TAFT. Mr. President, let me say that the objection raised to such funds nearly always relates to the tagging of particular tax sources for particular spending purposes, whereas the procedure under this amendment is largely a bookkeeping procedure, so far as any limitation in regard to a tax fund is concerned.

Mr. HOLLAND. Mr. President, the Senator from Ohio is correct in stating that the objection as to the State funds arises partly out of the earmarking of sources of revenue. But it arises equally, as various Senators who have served as governors have discovered, out of making special funds and special deposits and confining them to special objectives. As a matter of fact, the only distinction between the earmarking mentioned by the Senator from Ohio and that which is involved in this amendment is that under the amendment a definite sum is proposed to be earmarked. It has been proved, I assure the distinguished Senator, to be very bad fiscal policy which has gotten numerous States into difficulties and has involved endless detail and expense, and might, of course, in a fiscal matter as large as the annual budget of the United States Government, become a vastly more vicious practice; because if this field of aid to education is a proper subject for the making of a special deposit and the creation of a special fund, then every other appropriation and every other authorization of an appropriation made by the Congress relating to an objective which is not among the very few objectives specifically stated in section 8 of article I of the Constitution would be equally the subject of the creation of a special fund. There could be literally hundreds of them. I certainly hope the Congress will not embark upon such a questionable practice.

Mr. McMAHON. Mr. President, will the Senator yield to me?

Mr. TAFT. I yield.

Mr. McMAHON. I should like to ask either the Senator from Ohio or the Senator from Missouri whether he knows of any other case in which the Senate has done what the Senator from Missouri wishes to have the Senate do in this connection. I know of none. I know that the Senator from Missouri has tried to impose an amendment based

on this theory on a number of bills, since he has become a member of this body.

I agree with the Senator from Florida that it would be a very dangerous precedent. I wish to raise my voice against it, because I am not sure that there will be a yea-and-nay vote.

I should like further to ask the Senator from Ohio whether in accordance with the theory of the amendment of the Senator from Missouri, the Senator from Ohio intends to have the same kind of an amendment added to his housing bill.

Mr. TAFT. Mr. President, such an amendment has not as yet been proposed to that bill. The Senator from Missouri is not a member of the Banking and Currency Committee. I suppose he will perhaps offer such an amendment from the floor, although I do not know that he will.

Mr. McMAHON. I gather that the Senator from Ohio will resist such an amendment to that bill.

Mr. TAFT. The Senator from Missouri proposed it to a health bill which is still under consideration by the Committee on Labor and Public Welfare. I said I would not object. I say today that I would not object. But I do not think it is as important as the Senator thinks it is.

Mr. McMAHON. I should like to point out to the Senator that when he made his opening statement in behalf of this bill, he very properly stated that one of the things which had caused him to change his mind in regard to Federal aid for education was the fact that approximately 1,000,000 men were rejected for service during the last war because of illiteracy.

Let me say that a push-button war is not yet possible. We shall still need men, and we shall need literate men more than ever before, as the Senator fully agrees.

So under the clause of the Constitution providing for the common defense, to say nothing of the general welfare clause, which of course is also involved, I think the amendment of the Senator from Missouri is entirely unnecessary.

Mr. HILL. Mr. President, will the Senator yield to me?

Mr. TAFT. I yield.

Mr. HILL. I should like to call attention to the fact that when the school-lunch bill was before the Senate, and when an amendment similar to this amendment was offered, the Senate took the position which has been urged this afternoon, and the amendment was overwhelmingly voted down.

A similar amendment was offered to the bill to provide Federal aid for the construction of hospitals and health centers. The views expressed here this afternoon with reference to this amendment were expressed with reference to that amendment, and that amendment was overwhelmingly rejected.

I hope we shall reach a vote on this amendment promptly; and I hope we shall not change our position, but shall exhibit the wisdom we have exhibited in the past in connection with similar



amendments, and shall reject this amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Missouri [Mr. DONNELL].

The amendment was rejected.

Mr. CONNALLY. Mr. President, I call up the amendment which I have had printed and which is at the desk.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 15, line 7, after the word "appropriated", it is proposed to insert the following: "without any limitation of such appropriation or condition inconsistent with or contrary to the terms or purposes of this act."

Mr. CONNALLY. Mr. President, I shall state the purpose of this amendment, and the motive I have in offering it. In section 2 of the bill it is sought to be provided that in the future there shall be no change in the methods and the systems under this bill. All of us know how there has grown up in the Senate, and also in the House of Representatives, for that matter, the practice of tying limitations to appropriations. That was the case when the bill on this subject was last considered by the Senate. At that time there was offered an amendment providing a limitation as to how the funds should be used and how they should not be used. But the bill was defeated; so that provision did not become effective.

My view is that the vise and the weakness lie in the authorization clause, rather than in these general words. Section 2 can be changed at any time by limitation or by statute or by repeal. So my amendment is proposed to section 3, which is the authorization section.

Under our practice, whenever an appropriation is proposed, it is subject to a point of order unless it is possible to find, somewhere in the law, an authorization for that particular purpose. My amendment provides that the authorization under this bill and the authorization in future years under this bill shall be submitted "without any limitation of such appropriation or condition inconsistent with or contrary to the terms or purposes of this act."

In other words, if the Committee on Appropriations should report an appropriation to which was attached a limitation or a condition inconsistent with the purposes of the act, as to the expenditure of the appropriated funds, it would be subject to a point of order and it would go out of the bill.

Mr. BYRD. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield to the distinguished Senator from Virginia.

Mr. BYRD. Is it not true that if an appropriation bill should be passed tomorrow with a limitation placed in it, this amendment would have no effect? I am so informed by the Parliamentarian.

Mr. CONNALLY. My purpose is to prevent the adoption of such a limitation by making it possible to raise a point of order against it.

Mr. BYRD. I am informed by the Parliamentarian that a point of order could not be made against it, because it

would be in an appropriation bill, and in an appropriation bill any appropriation may be limited regardless of previous legislation.

Mr. CONNALLY. Yes, that is true, but in order to get an appropriation at all there must be an authorization. An appropriation bill could not go beyond the terms of the authorization. If it did, a point of order could be made, and it would go out of the bill.

Mr. ROBERTSON of Virginia. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield to the Senator from Virginia.

Mr. ROBERTSON of Virginia. I could understand the proposition clearer if I could reduce it to a concrete case. Might this be a situation that could arise under the Senator's question? After the Congress passes this authorization, the House, the next year, might appropriate \$300,000,000. The House Appropriations Committee might write into the bill, "No part of this money shall be spent in any State that practices segregation." Would the Senator's amendment reach that situation? If so, would it prevent Congress from putting a limitation of that kind in an appropriation bill?

Mr. CONNALLY. I may say to the Senator, that is one of the purposes actuating the Senator from Texas in offering the amendment.

Mr. ROBERTSON of Virginia. I merely wanted to be clear in my own mind.

Mr. CONNALLY. In a situation of that kind, when the bill came to the Senate, it would go to the Committee on Appropriations. If the committee reported it, then under my amendment the limitation would be subject to a point of order as being not within the terms of the authorization.

Mr. ROBERTSON of Virginia. Is that the Senator's intention?

Mr. CONNALLY. That is my intention.

Mr. ROBERTSON of Virginia. The next question is, has the Senator from Texas assured himself that his intention will be effectuated?

Mr. CONNALLY. Nobody can assure himself about anything in this body. [Laughter.] I mean by that that nobody can speak with exactitude as to what may happen in the future. The law might be amended, through the addition of limitations and conditions which would change its whole scope. I am seeking to prevent that. I am seeking to hold it to the purposes and the terms of this particular bill.

Mr. ROBERTSON of Virginia. I assume the senior Senator from Texas will agree with me that as the bill now stands there would be nothing to prevent an appropriation committee, especially in the House, under the Ramseyer rule, from attaching a limitation of that kind.

Mr. CONNALLY. Of course not. It could attach any limitation. It could be provided that none of the money should be spent on the education of boys who have red hair.

Mr. McCLELLAN. Mr. President—

Mr. CONNALLY. I yield to the Senator from Arkansas.

Mr. McCLELLAN. Mr. President, I want to call attention to the provision which is already in the bill and which, in my judgment, goes as far as it is possible to go to prevent a limitation being placed on an appropriation bill.

I am in accord with the objectives of the Senator's amendment. Insofar as it can be done, I want to see it done. But I call attention to lines 16, 17, and 18, on page 14 of the bill as already written, which read:

or any limitation or provision in any appropriation made pursuant to this act, seek to control in any manner, or prescribe requirements with respect to, or authorize any department, agency, officer, or employee of the United States—

And so forth. In other words, the provision which has already been written into the bill is about as strong as it is possible to make it. If the Senator's amendment makes it stronger—

Mr. CONNALLY. The Senator's amendment makes it stronger, for this reason: The language which the Senator quotes is all very well, but it does not touch the question of limitation.

Mr. McCLELLAN. It uses the word "limitation." It says, "or any limitation."

Mr. CONNALLY. I know it does.

Mr. McCLELLAN. It is bound to touch it a little.

Mr. CONNALLY. I know it is mentioned, but under the rules of the Senate, if an appropriation bill were reported under this authorization, it would be subject to any kind of limitation that the Senate wanted to put on it, and the language to which the Senator refers would not control it at all.

Mr. McCLELLAN. I want to say to the Senator from Texas that I am wholly in accord with his objective, if there is any way in the world of reaching it.

Mr. CONNALLY. I thank the Senator.

Mr. McCLELLAN. I call the Senator's attention to the fact that the bill as now written undertakes to prohibit any limitation being placed on an appropriation by the Appropriations Committee.

Mr. CONNALLY. That is true. But we then come to the next section, which authorizes an appropriation of \$300,000,000, with no strings attached.

Mr. McCLELLAN. It might be well to strengthen the bill again at that point. I am not objecting.

Mr. CONNALLY. That is what I am trying to do. I have endeavored to find the best way of doing it. I cannot guarantee it will be 100-percent perfect. When the appropriation comes before the Senate, there will be a fight on it. But we know that if we pass the pending measure, there will be limitations of some kind offered on the floor at every session of the Congress.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield to the Senator from Ohio.

Mr. TAFT. I have every sympathy with the purpose the Senator seeks to accomplish through the amendment. We endeavored to write everything into the bill we could. However, it seems to me the Senator has perhaps suggested another provision which may make it



still stronger and which may possibly—though I do not venture to predict—make a limiting amendment subject to a point of order, at least in the House. It is more difficult, under our rules, to do that in the Senate if a bill has actually been reported. Certainly, so far as I am concerned, and subject to approval by the Senate, I should be willing to accept the Senator's amendment. It is absolutely in line with what we tried to do in section 2, and is certainly in accord with the general purpose which influenced me very strongly in sponsoring the bill.

Mr. CONNALLY. I thank the Senator. Mr. BYRD. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield to the Senator from Virginia.

Mr. BYRD. I may say to the Senator from Texas that I am in accord with the amendment, but let me call attention to the fact that what we must do is to amend the rules of the Senate.

Mr. CONNALLY. The Senator is on the Rules Committee. I hope he will see that that is done.

Mr. BYRD. I am not on the Rules Committee now. This would have no effect so far as the Senate rules are concerned, because the Senate rules provide that an appropriation may be limited. It would be necessary to amend the Senate rules in order to make this effective.

Mr. BARKLEY. Mr. President, if the Senator will yield, that raises the question of whether the rules of the Senate can take priority over a law enacted by Congress, which otherwise might have the effect of nullifying the rules.

Mr. CONNALLY. That is correct.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Texas.

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. McMAHON. Mr. President, I offer an amendment, which I ask to have stated.

The PRESIDING OFFICER. The clerk will state the amendment.

The Chief Clerk read the amendment, as follows:

1. On page 15, amend section 4 (A) to read as follows:

"Multiply (a) the number of pupils in average daily attendance at public elementary and public secondary schools, as determined on the basis of reports submitted by the State for such purpose, for the third calendar year next preceding the year in which ends the fiscal year for which the computation is made by (b) \$45."

2. On page 16, amend section 4 (C) to read as follows:

"Subject to the succeeding provisions of this section, the amount of the Federal allotment for any State shall be (a) the amount, if any, by which the amount calculated under paragraph (A) exceeds the amount calculated under paragraph (B) with respect to such State, or (b) \$5 multiplied by the number of pupils in average daily attendance at public elementary and public secondary schools in such State, as determined under paragraph (A), whichever is greater."

3. On page 19, amend section 6 to read: "In order more nearly to equalize educational opportunities, the funds paid to a State from the funds appropriated under

section 3 of this act shall be available for disbursement by the State educational authority, either directly or through payments to local public-school jurisdictions or other State public-education agencies, for any current expenditure for elementary or secondary public-school purposes."

4. On page 25, after line 21, add two definitions to section 9:

"(G) The term 'number of pupils in average daily attendance at public elementary and public secondary schools' means the aggregate days of attendance by pupils regularly enrolled in such schools during the school year divided by 175.

"(H) The term 'public elementary and public secondary schools' means tax-supported elementary schools and high schools at least 90 percent of whose pupils are in full-time attendance, and, in the case of secondary schools, at least 50 percent of whose graduates are under 18 years of age at the time of graduation, and which are under the control and direction of the State or a local subdivision thereof."

At the end of the bill, add title II, to read as follows:

"TITLE II—ASSISTANCE TO NONPUBLIC TAX-EXEMPT SCHOOLS OF SECONDARY GRADE OR LESS FOR NECESSARY TRANSPORTATION OF PUPILS, SCHOOL HEALTH EXAMINATIONS AND RELATED SCHOOL HEALTH SERVICES, AND PURCHASE OF NONRELIGIOUS INSTRUCTIONAL SUPPLIES AND EQUIPMENT, INCLUDING BOOKS

#### "APPROPRIATIONS AUTHORIZED

"SEC. 201. For the purpose of reimbursing nonpublic tax-exempt schools and school systems of secondary grade or less for not to exceed 60 percent of their actual expenses incurred in providing (a) necessary transportation of pupils, (b) school health examinations and related school health services, and (c) purchase of nonreligious instructional supplies and equipment, including books, there is hereby authorized to be appropriated for the fiscal year ending June 30, 1949, and annually thereafter, the sum of \$5,000,000, to be apportioned to the States in the proportion that the number of pupils in average daily attendance at nonpublic tax-exempt schools of secondary grade or less bears to the total number of such pupils in all the States.

#### "CERTIFICATION AND PAYMENT

"SEC. 202. At the beginning of each fiscal year the Commissioner shall certify to the Secretary of the Treasury the amounts apportioned under this title to each State which has agreed to accept the provisions of this title and to disburse the funds received for the purposes set forth in section 201 to nonpublic tax-exempt schools of secondary grade or less. The Secretary shall, through the Fiscal Service of the Treasury Department and prior to audit or settlement by the General Accounting Office, pay to the treasurer or corresponding official of such State the amount so certified as soon after the 1st day of September as may be feasible beginning with the fiscal year for which appropriations made under the authorization of this title become available. Each such treasurer shall account for the moneys received as trustee and shall pay out such funds only on the request of the State educational authority: *Provided, however,* That if in any State the State educational authority is not permitted by law to disburse the funds paid to it under this title to nonpublic tax-exempt schools in the State, the Secretary shall withhold the funds apportioned to any such State, said funds to be disbursed by the Secretary directly to such nonpublic tax-exempt schools and school systems of secondary grade or less as have been certified by the Commissioner to be entitled to receive the same in such States.

#### "AVAILABILITY OF APPROPRIATIONS

"SEC. 203. In order to qualify for receiving funds appropriated under section 201 hereof

a nonpublic tax-exempt school or school system shall annually submit to the State educational authority, or in the case of States not permitted by law to administer the provisions of this title, to the Commissioner, (a) an application for funds in reimbursement for not to exceed 60 percent of the actual expenditures incurred during the next preceding fiscal year for the purposes specified in section 201; (b) a report of the number of pupils in average daily attendance during the fiscal year for which the reimbursement is claimed; (c) an agreement to permit an inspection or audit of its accounts of expenditures made for the purposes specified in section 201 either by the State educational authority or by the Commissioner, as the case may be.

#### "DEFINITIONS

"SEC. 204. As used in this title—

"(a) The term 'State' means the several States, the District of Columbia, Alaska, Hawaii, and Puerto Rico.

"(b) The term 'number of pupils in average daily attendance' means the aggregate days of attendance by pupils regularly enrolled in nonpublic tax-exempt schools of secondary grade or less during the school year divided by 175.

"(c) The term 'schools of secondary grade or less' means elementary schools and high schools at least 90 percent of whose pupils are in full-time attendance and, in the case of high schools, at least 50 percent of whose graduates are under 18 years of age at the time of graduation.

"(d) The term 'nonpublic tax-exempt schools' means any private school exempt from taxation under section 101 (6) of the Internal Revenue Code, as amended.

"(e) The term 'State educational authority' means, as the State legislature may determine, (1) the chief State school officer (such as the State superintendent of public instruction, commissioner of education, or similar officer), or (2) a board of education controlling the State department of education; except that in the District of Columbia it shall mean the Board of Education.

"(f) The term 'related school health services' means services of physicians, dental hygienists, nurses, nutritionists, and similar health-service personnel employed by the school authorities to provide preventative and diagnostic health services, other than actual medical, surgical, or reparative dental treatment."

Mr. TAFT. Mr. President, I should like to say a brief word, with the consent of the author of the amendment, as to what the situation is regarding private and parochial schools. The issue is really a very narrow one. The Supreme Court has, in effect, said that we cannot appropriate any money for education in sectarian schools. The court has not ruled so clearly, however, on certain incidental services. There are 19 States which provide bus transportation for students attending parochial schools. That does not involve any considerable expense. Practically the regular busses are used to pick up the Catholic children as they go along the road. There are five States which give aid toward furnishing free school books, which, to some extent, reach those children. There are some health services. Personally, I think health services belong in a health bill, and not in the bill which is under consideration. It might be said that in some States they are considered school services. What the bill provides is that in cases where States provide such services they may use Federal funds to supplement their own money in connection



with the services. The Senator from Missouri [Mr. DONNELL] attempted to prevent the 19 States to which I have referred from using Federal funds for such purposes.

The amendment just offered has, in effect, the opposite result. It provides that in the other 29 States we must give Federal money for those services, although the people in those States have not approved such a course as a matter of State policy.

It seems to me we can be safe only if we hew to the middle line proposed by the bill, namely, that we reject the amendment offered by the Senator from Missouri [Mr. DONNELL] and also reject the amendment offered by the Senator from Connecticut [Mr. McMAHON], because in that case we shall leave it to each State to decide what its educational policies shall be in the very narrow field of certain supplemental services.

That seems to me to be fair and in accordance with the idea of the bill. We should not interfere with States which do not want to give these services and which have disapproved of them in many cases. We should no more force States to give them than we should prevent the States that want to give them from so doing. That is what we decided in the case of the Donnell amendment.

So, Mr. President, I oppose this amendment as I opposed the other amendment. I wanted to state my position today. I understand the Senator from Connecticut [Mr. McMAHON] wishes to present the case more fully tomorrow. I only wanted to analyze the situation as I see it as to why the position taken by the committee would simply leave to each State the decision of the question.

Mr. WHERRY. Mr. President, as indicated by the distinguished Senator from Ohio, the arrangements are that the pending question shall be the so-called McMahon amendment when we take a recess until tomorrow. That amendment will be the pending business when the Senate reconvenes.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. WHERRY. I yield to the Senator from Florida.

Mr. PEPPER. Mr. President, I want to call the attention of the Senate to two statements which appear in the CONGRESSIONAL RECORD for last week. One appears in the RECORD for Tuesday, March 23, beginning on page 3319, and the other appears in the Appendix of the RECORD, beginning on page A1758.

Both of these statements refer to the firm of Dillon, Read & Co., and one refers specifically to the Secretary of Defense, James Forrestal. In addition, a Member of this body, the Senator from Idaho [Mr. TAYLOR], recently wrote a letter to President Truman on the same subject.

While, as the Senate well knows, I have at times been critical of the Military Establishment, nevertheless I think that there is an issue of fair play involved here—and I also feel that this body, and the country at large, deserves to have accurate facts on any association the

Secretary of Defense may have, or may have had, with the firm of Dillon, Read & Co.

Accordingly, I wish to read into the RECORD the following statements, which were made by the Senator from Maine [Mr. BREWSTER], and Secretary of Defense Forrestal in the course of a recent hearing on Saudi Arabian oil, which the Senate War Investigating Committee conducted on January 29 and in which I participated. The statements to which I refer read as follows:

Senator BREWSTER. I think I should ask you this, Mr. Secretary, probably for yourself as well as for the record, because there has been some intimation as to your association with the oil business, and I would be glad to have your statement regarding that, so that there need be no question as to precisely the situation.

Secretary FORRESTAL. I would be very glad to furnish your committee with a list of my investments.

Senator BREWSTER. No; I did not have reference to that.

Secretary FORRESTAL. My associations otherwise?

Senator BREWSTER. Have you not seen any suggestion regarding that; it was as to your activities in private business and former connections with some of these companies here concerned?

Secretary FORRESTAL. I was employed by the firm of Dillon, Read & Co., from 1915 to 1923, and became a partner in 1923. During that period, and from then on, I think that my firm financed, either through the sale of bonds or stock, the securities of the Standard Oil of California, of the Union Oil of California, the Amerada Corp., and Royal Dutch at one time, and the Texas Co. That, I think, is all. I will check my records and let you have any additional ones.

Senator BREWSTER. I thought it would be well to have that.

Secretary FORRESTAL. I should add to that, although it may be gratuitous, that my association with the firm of Dillon, Read & Co. ceased as of the year 1940, at which time I withdrew the capital I had in that enterprise, and obviously withdrew from any sharing in its earnings.

Senator BREWSTER. So that we have the benefit of your knowledge regarding petroleum acquired in your earlier experience but without any impairment of your interest in the public welfare, as the result of any private connections.

Secretary FORRESTAL. I hope that is true, Mr. Chairman.

Senator BREWSTER. I gather that it is.

Mr. PEPPER. I simply wanted those facts, which I thought were pertinent to discussions which have been had in the public press, to be made of public record.

#### MONOPOLY AT ALASKA'S THROAT—ARTICLE BY RICHARD L. NEUBERGER

Mr. MORSE. Mr. President, I ask unanimous consent to have printed in the RECORD an article which appeared in the latest issue of the Nation, entitled "Monopoly at Alaska's Throat," by Richard L. Neuberger. I offer the article with the recommendation to the Senate Committee on Interstate and Foreign Commerce that that committee proceed without delay to make inquiry into allegations set forth in the article, because if such an inquiry supports the allegations, no time should be lost in taking the necessary steps to correct the situation which Mr. Neuberger points out in his article.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

#### MONOPOLY AT ALASKA'S THROAT

(By Richard L. Neuberger)

SEATTLE, March 2.—Monopolies are now an announced target of the administration. One of the worst should be easy to hit in a fatal spot. This is the Alaskan shipping monopoly, which drains the Territory's pioneer economy by levying the highest ocean freight rates charged by any ships under the American flag. Of all monopolies it is the most vulnerable to administration attack because it operates under the approval and protection of the Federal Maritime Commission. Indeed, the Commission could end it tomorrow—and a majority on the Commission are President Truman's appointees. If the administration wants to do something about monopoly, the tight little monopoly which dominates Alaskan shipping to the detriment of Alaska is the place to begin.

Living costs in Alaska are from 38 to 116 percent higher than in the United States, according to the distance from Seattle. Freight rates are behind these sky-high inflationary prices. It costs \$26 to ship a ton of fresh vegetables the 1,400 miles from Seattle to the Alaskan port of Cordova; the rate from San Juan to New York City, an equal distance, is \$10.80.

The benefits from these exorbitant Alaskan rates are confined virtually to one Seattle family. In 1946 Congress authorized a lavish North Pacific shipping subsidy: Government vessels could be rented for \$1 a year, with free hull insurance included. The Maritime Commission then decided that Gilbert W. Skinner was to be the principal beneficiary of this Federal largess. Three companies were chosen to receive the subsidy—Alaska Steamship Co., Northland Transportation Co., and Alaska Transportation Co., all based in Seattle. Skinner, Seattle's leading salmon broker, is president of Alaska Steam, and he and his son control two-thirds of Northland Transportation. Alaska Steam and Northland were to operate 21 boats, Alaska Transportation 4. Only Alaska Steam was authorized to call at the main Alaskan ports of Seward and Whittier, where all freight for the vast interior is discharged.

Many generations of Americans have dreamed of the development of Alaska. In the last speech he ever delivered standing on his feet Franklin D. Roosevelt, from the bridge of a destroyer, prophesied the opening of a new land of opportunity in the north. Instead, Alaska has been garroted in a collar of high freight rates fitted by this one-family shipping monopoly—a monopoly established with the connivance of the United States Government.

Only Alaska Steam can put in at Kodiak Island. Residents of Kodiak pay \$27 a ton to get washing machines, radios, and fresh meat transported from Seattle, though Mr. Skinner's friends in the salmon industry can send their product to Seattle for only \$12. "High transportation rates are responsible, more than any other one factor," declares George Sundborg, manager of the Alaskan Development Board, "for the economic backwardness of Alaska and for a cost-of-living level so high as to discourage settlement and make colonization impossible."

A 33-year-old veteran of Grenfell's Labrador expeditions named Phil Briggs thought he had the answer. He would take cargo out of the British Columbia seaport of Prince Rupert, 700 miles north of Seattle. During the war, when Japanese troops crouched in the Aleutians, the American Army developed Prince Rupert as its chief Alaskan supply base. Briggs would haul an automobile from



Prince Rupert to Petersburg for approximately half the toll from Seattle.

Clearly this was a threat to Skinner's supremacy in Alaskan waters, and the Maritime Commission sprang to his aid. Although Congress had made the North Pacific subsidy available to any American-flag line, and Briggs was operating under the Stars and Stripes, the Maritime Commission barely acknowledged his letter requesting participation in the subsidy. This meant that Briggs would have to buy his own boats and carry his own hull insurance—and compete against companies getting both items out of the United States Treasury. Small wonder that since the Briggs episode the President's professions of sympathy for small business are greeted somewhat cynically in Alaska.

Canadian vessels operating out of Prince Rupert might crack the Skinner monopoly except for one fact. A clause in the Maritime Act denies Alaskans the right to use Canadian ships for freight or passenger service between Prince Rupert and Alaska. Since American ports on the Great Lakes and the Atlantic are free to use Canadian shipping, this is direct discrimination against Alaska, and Senator BUTLER, of Nebraska, and Delegate BARTLETT, of Alaska, have introduced legislation to end it. The Maritime Commission has advised against passage of the Butler-Bartlett bill. This advice was done up in the familiar patriotic wrappings: The American merchant marine must not be imperiled. Although Canadian boats seem to constitute a threat to American interests, the Maritime Commission says nothing about Gilbert W. Skinner's operation of the yacht *Corsair* under the flag of Panama as a luxury cruise vessel.

The United States Supreme Court has ruled that if Alaska were a State, the law denying its people the use of Canadian ships would be unconstitutional. Only a territory may be thus discriminated against. This may explain why Seattle business interests favor statehood for Hawaii but not for Alaska. Even the State of Washington's leading Democrats, Senator MAGNUSON and Governor Wallgren, oppose statehood, unwilling to help Alaska wrest itself loose from the clutch of Seattle shipping companies.

With the collaboration of the Maritime Commission, Skinner and his associates juggle rates to fit their own convenience. Not long ago Alaska Steam reduced by 75 percent the freight on insulating cork. The Alaska Development Board contends this was done primarily because Skinner and his partners are constructing a cold-storage plant on the Alaskan peninsula. On the same day that it lowered the rate on cork, Alaska Steam hoisted the freight on flour to Fairbanks from \$2.33 a hundredweight to \$3.81. Fairbanks housewives, when they buy bread, are subsidizing Skinner's cold-storage plant.

During the war Alaskans noted that the many congressional committees which visited the Territory, if they came by sea, almost invariably traveled on Canadian boats because they furnished better service, food, and accommodations than the American boats. Congress and the Maritime Commission have teamed up to deny these amenities to the people of Alaska. "Federal law keeps out Canadian competition," says Gov. Ernest Gruening. "By restricting the subsidy, the Maritime Commission keeps out United States competition. Alaska is left to the mercy of the Seattle companies, which really means Gilbert W. Skinner and his enterprises."

American voters should know how an agency of their Government helps to keep Alaska wilderness. A cannery at Kodiak pays \$10 a ton in freight tolls on wire to repair its salmon traps. A homesteader on the same island pays \$17 freight on a ton of wire to string a fence. The average Alaskan

family must spend approximately \$450 a year in ocean freight on its food alone.

A group of ex-GI's hopefully founded a cooperative colony at Chilkoot Barracks, Alaska's oldest military post. They were acclaimed in many periodicals as twentieth-century pioneers. They planned to establish a shipping service between Juneau, the Alaskan capital, and Haines, a port leading to the famous Alcan Highway. Today the colony is falling apart. Its 30-year-old founder, Steve Larsson Homer, is night clerk in a dingy hotel in Portland, Oreg. "We had a natural transportation route to the Alaskan interior," he said. "But the lumber companies wouldn't give us a contract to transport their products. They said they were afraid Alaska Steam would learn of it and refuse to serve them. They said they were at the mercy of Alaska Steam."

Alaska Steam fares well with the generous Federal subsidy. During a 4-month period its revenues was \$5,400,000 and its operating expenses \$3,700,000. As long as the Maritime Commission refuses to honor subsidy requests from American companies based at Portland or Prince Rupert, Seattle steamship corporations can deal with Alaska as cavalierly as they wish. Rates are hiked summarily; boat schedules altered overnight.

In 1946 a strike of A. F. of L. checkers shut down the port of Seattle for more than 70 days. Alaskan hospitals ran out of drugs and had no fuel oil on days when it was 50 degrees below zero. Alaskan children had no Christmas toys. The Maritime Commission was quick to hoist antilabor pennants, forgetting that it was responsible for the lack of alternative shipping routes through Portland and Prince Rupert.

Many devices are employed to keep Alaska in the grip of one of the tightest existing monopolies. Statehood would give Alaska two Senators acting in Alaska's interests. Recently a prominent Alaskan, heading the Alaska delegation to a Pacific Northwest chamber of commerce conference on Alaskan problems, said the people of the Territory did not really want statehood, in spite of a decisive referendum favoring statehood more than a year ago. The prominent Alaskan turned out to be a resident of a fashionable Seattle suburb.

To break the grip of the shipping monopoly on Alaska, only two steps are required: (1) Make Canadian ships available for the Alaskan trade; and (2) extend the Federal subsidy to companies operating out of Portland and Prince Rupert. The Maritime Commission can recommend the first step to Congress. It can undertake the second step itself. It can also give permission to some operator besides Gilbert W. Skinner to serve the ports on the Gulf of Alaska. So long as the commission supports the shipping oligarchy to which it has delivered over the people of Alaska, it is hard to take at face value the many strictures against monopoly contained in the President's message on the state of the Union.

#### AMERICAN TRUSTEESHIP SUGGESTION FOR PALESTINE

Mr. MORSE. Mr. President, I ask unanimous consent to have printed in the body of the RECORD as part of my remarks a statement by the Australian Minister for External Affairs on American trusteeship suggestion for Palestine, and I recommend that it be carefully considered, not only by Members of Congress but by the State Department and by the delegation of our country at the United Nations itself, because I think there can be no question that we need more facts than those which have been given to us to date in regard to our Government's position on the Palestine issue.

As I said a few weeks ago, if we made a mistake on the merits of partition we should reconsider our position. But thus far I have been able to reach no other conclusion on the basis of such information as has been supplied to me to date, than that the position of our Government is not one on the merits or demerits of partition, but only on the question as to whether enforcement of partition might endanger peace.

I submit that the United Nations can never survive as an instrumentality for maintaining peace if it ever proceeds to function on the basis of the proposition that when any country or any group of countries threatens the peace by a refusal to comply with a decision of the United Nations, we shall then reverse our position on that decision. I repeat the same position I took 2 weeks ago, that if on the merits of partition the United Nations should reconsider I am willing it should reconsider, but if all our State Department and our delegation in the United Nations offers us is a suggestion for trusteeship on the basis that to insist that partition may endanger the peace, then I think if we are to have international government by law we are going to have to meet that issue of enforcement.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Oregon?

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

#### STATEMENT BY THE AUSTRALIAN MINISTER FOR EXTERNAL AFFAIRS, DR. H. V. EVATT, ON AMERICAN TRUSTEESHIP SUGGESTIONS FOR PALESTINE

The following is the text of a statement made at 11 p. m. Monday, March 22, 1948, by the Australian Minister for External Affairs and Deputy Prime Minister, the Right Honorable Dr. Herbert V. Evatt:

"Decisions of a competent international conference should be accepted after there has been full inquiry and fair debate and a just settlement has been reached. Accordingly any setting aside of the United Nations Assembly decision on Palestine must be closely scrutinized. It is impossible to examine the new plan in detail because nothing definite is known about it. It is said the 'trusteeship' will be the new solution. But the word itself is ambiguous. What does it mean? It certainly seems to imply that the peoples to be placed under trusteeship are not sufficiently advanced for self-government. Such a suggestion would seem to be untenable in relation either to the Palestinian Arabs or to the Palestinian Jews. If however what is now proposed is a temporary United Nations trusteeship merely for the purpose of carrying out the Assembly's decision it would be a very different matter. But is that intended? The final decision was reached in December last after two General Assemblies had dealt most carefully and exhaustively with the matter after all parties were heard and after a special commission involving very heavy United Nations expenditure had visited Palestine and reported in favor of the principles of the plan ultimately adopted in the Assembly. The plan adopted is inappropriately labeled 'partition' because it involves four separate points: First, economic union of the whole of Palestine under the control of an authority with a majority of United Nations membership; second, political division of Palestine into two new states, Jewish and Arab; third, United Nations trusteeship over Jeru-



salem and Bethlehem; and fourth, full safeguards for the holy places and especially for the Christian churches throughout the whole of Palestine. The only alternative plan suggested to the Assembly was to establish a unitary state under Arab domination with no adequate safeguards for the protection either of the Jewish people or of the Christian churches. This alternative was plainly inadmissible and was rejected by an overwhelming majority. The United Nations decision was reached by more than a two-thirds majority, the only dissentients being the Arab States and certain nations very closely associated with them. The decision was a just and impartial one and must not be lightly set aside.

"The United Nations did not intermeddle in the Palestine matter. It intervened only after the United Kingdom Government had especially requested the United Nations Assembly to handle the matter as all previous efforts at reconciliation between the Arabs and Jews had entirely failed. At the United Nations the British Government did not itself propose any solution and announced it would accept the United Nations decision. In these circumstances Canada, Australia, South Africa, and New Zealand all supported the proposal finally adopted. After all that had occurred to throw the solution into the melting pot again may be very damaging to the authority of the United Nations. It has been contended that the enforcement of the Assembly's decision is not possible. Had the great powers who supported the proposal at Lake Success, N. Y., adhered firmly to it there probably would have been little difficulty. In any event under the Assembly's decision the new Jewish State and the new Arab State was each to be entitled to establish its own militia forces for the defense of the new territory and this decision clearly carried with it the right of Jews as well as Arabs to import arms and equipment for the purposes of defense. It is impossible to pass final judgment on the new proposal because no one has explained it as yet. I was chairman of the committee which worked assiduously to obtain a just solution. The committee repeatedly modified its proposals at the suggestion of the mandatory power in order that the United Kingdom should be able to withdraw its forces after its long, its thankless, but on the whole, successful development of the Palestine area since it was captured from the Turks by the British and Australian forces in 1918.

"In my opinion, the United Nations decision has been gradually undermined by intrigues directed against the Jewish people. It would be little short of a tragedy if the fundamental rights of self-government were to be denied to both the Jews and Arabs as it is guaranteed to them under the Assembly decision just as religious freedom is also guaranteed to the Christian churches throughout Palestine. The only considerations that influenced the United Nations Assembly were those of justice and fair dealing to all concerned. It would be most disturbing if mere considerations of power politics or expediency were allowed to destroy the decision. However, if a special United Nations Assembly is called it is hardly likely to accept any plan which involves the annihilation of the previous decision unless new facts of overwhelming cogency are proved to exist.

"I need hardly add that under the United Nations Charter the Security Council has no power whatever to overrule the recommendation of the Assembly."

#### AUTHORIZATION FOR SIGNING, ETC., OF RUBBER ACT OF 1948

Mr. WHERRY. Mr. President, I ask unanimous consent that the Secretary of the Senate may receive a message from the House of Representatives on the bill (H. R. 5314) to strengthen national se-

curity and the common defense by providing for the maintenance of an adequate domestic rubber-producing industry, and for other purposes, as the law will expire tonight. I further ask that the President pro tempore may sign the enrolled bill during the recess following the session today.

The PRESIDING OFFICER. Without objection, the order is entered.

#### RECESS

Mr. WHERRY. Mr. President, before moving a recess I should like to announce for the record that it is the intention to attempt to conclude the consideration of the pending bill, the Federal aid to education bill, by tomorrow night. There is still to be considered one amendment, possibly there are two or three, and it is the hope to get them out of the way first, because there will be Senators who would like to speak on the bill as it shall have been amended, if it shall be amended. I wish to state for the record, and bring to the attention of Senators, that it is possible there will be record votes on one or two or three of the amendments tomorrow afternoon.

I now move that the Senate take a recess until tomorrow at noon.

The motion was agreed to; and (at 5 o'clock and 4 minutes p. m.) the Senate took a recess until tomorrow, Thursday, April 1, 1948, at 12 o'clock meridian.

#### NOMINATIONS

Executive nominations received by the Senate March 31 (legislative day of March 29), 1948:

##### IN THE ARMY

APPOINTMENTS IN THE REGULAR ARMY IN THE ARMY NURSE CORPS AND THE WOMEN'S MEDICAL SPECIALIST CORPS

##### To be captains

Inez I. Baum, WMSC (PT), M443.  
Olga S. Heard, WMSC (Diet.), R75.

##### To be first lieutenants

Phyllis D. Barsh, ANC, N773722.  
Roberta Broyles, ANC, N790616.  
Catharine A. Burgmeier, ANC, N779920.  
Kathleen R. Creech, WMSC (Diet.), R648.  
Evelyn C. Ekstrom, ANC, N754110.  
Virginia M. Elder, ANC, N723862.  
Ruth M. Engel, ANC, N778098.  
Juanita E. Fannin, ANC, N768913.  
Lu Gomez, ANC, N788919.  
Lulu J. Hartman, ANC, N768377.  
Mona O. Hetland, ANC, N777355.  
Elizabeth A. Hughes, ANC, N745171.  
Esther M. Knoedler, ANC, N732206.  
Jean M. Lang, ANC, N721159.  
Edna H. Livaudals, WMSC (PT), M1232.  
Helen Logan, ANC, N787308.  
Frances A. Lusas, ANC, N751622.  
Rose M. MacKellar, WMSC (Diet.), R190.  
Ethel S. Madden, ANC, N785083.  
Ann Markey, ANC, N731072.  
Alice M. McDowell, ANC, N768192.  
Agnes L. Miller, ANC, N727259.  
Alyce G. Milne, WMSC (OT).  
Nadine A. Neisig, ANC, N772760.  
Rita M. Pfeiffer, ANC, N773595.  
Edna L. Phariss, ANC, N732558.  
Mary E. Pierce, ANC, N728765.  
Olie B. Reed, ANC, N724951.  
Margaret J. Rice, ANC, N759617.  
Helen A. Rydzewski, ANC, N755886.  
Edythe B. Sanborn, ANC, N752594.  
Catherine E. Sanford, ANC, N723466.  
Dorothy F. Shaw, ANC, N783003.  
Barbara M. Short, ANC, N775527.  
Carol V. Smith, ANC, N775342.

Virginia L. Smith, ANC, N773897.  
Betty J. Snyder, WMSC (PT), M2496.  
Doris M. Vance, ANC, N732635.  
Tannie E. Westmoreland, ANC, N764987.  
Mary W. Wilborne, ANC, N759122.

##### To be second lieutenants

Gloria F. Coradi, ANC, N754740.  
Frances A. Foley, ANC, N792054.  
Marjorie A. Mell, WMSC (OT).  
Miriam A. Schulz, ANC, N796722.  
Gisela M. Zernick, ANC, N800184.

#### WITHDRAWALS

Executive nominations withdrawn from the Senate March 31 (legislative day of March 29), 1948:

##### POSTMASTERS

Mrs. Wilberta G. Silveira to be postmaster at Searchlight, in the State of Nevada.  
Clarence K. Kratz to be postmaster at Silverdale, in the State of Pennsylvania.

## HOUSE OF REPRESENTATIVES

WEDNESDAY, MARCH 31, 1948

The House met at 10 o'clock a. m.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Eternal and ever-loving Father, we praise Thee, we magnify Thee, we give thanks unto Thee for Thy great glory. It comforts us to know that when wicked men seek to destroy the blessings that are dear to the human heart Thou dost ever uphold the order of this world.

O give us minds to understand that by our endeavors and generosity the welfare and peace of all men are advanced. Stay Thou the injustice that binds heavy burdens upon the weak and cruel wrongs upon the innocent. For hesitation, give us insight; for prejudice, give us open minds; from spiritual bondage, give us a blessed relief.

Therefore, my beloved brethren, be ye steadfast, unmovable, always abounding in the work of the Lord, forasmuch as ye know that your labor is not in vain in the Lord. Through Jesus Christ our Saviour. Amen.

The Journal of the proceedings of yesterday was read and approved.

#### MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 2393. An act to promote the general welfare, national interest, and foreign policy of the United States by providing aid to China.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 5314) entitled "An act to strengthen national security and the common defense by providing for the maintenance of an adequate domestic rubber-producing industry, and for other purposes."

#### EXTENSION OF REMARKS

Mr. DAGUE asked and was given permission to extend his remarks in the



RECORD and include a radio address recently delivered by Hon. ABE MCGREGOR GOFF.

#### DISMANTLING OF GERMAN INDUSTRY

Mr. SMITH of Wisconsin. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. SMITH of Wisconsin. Mr. Speaker, although there has been widespread speculation in this country as to why the German dismantling program would continue in spite of the widespread outcry against it, it does continue. The 500 plants which are still left on the list to be dismantled can yet be saved. And European recovery cannot occur without them.

Most branches of American public opinion, and foreign opinion as well, have gone on record in favor of a more sensible treatment with regard to our former enemies. There will be no peace if we continue to maintain a persecution complex. Fortunately such widely divergent groups as the NAM, the United States Chamber of Commerce, the CIO, and the A. F. of L. are in agreement. They are all in concert because they are proud of, and solicitous for, the international good name and economic welfare of the United States, and they know that it is neither good publicity nor good business for us to run the Reich as a combination penal colony and economic slum.

From the economic point of view, the A. F. of L., in the words of President William Green, states the case:

If we consider the problem of steel shortage on a western European basis, the first obstacle to increasing output quickly is the program for dismantling plants earmarked for reparations. But, put into operation in their present place, they would get European economy under way more economically and expeditiously. Time is a vital factor for the success of this undertaking.

#### EXTENSION OF REMARKS

Mr. OWENS asked and was given permission to extend his remarks in the RECORD and include an article from the Chicago Daily Tribune dated March 19, 1948.

Mr. KEARNEY asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. O'HARA asked and was granted permission to extend his remarks in the RECORD.

#### THE LATE KNUTE ROCKNE

Mr. O'HARA. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. O'HARA. Mr. Speaker, 17 years ago today, near the little village of Flint, Kans., a plane crashed to earth. A newsboy in Atlanta, Ga., that late afternoon gathered his armful of papers and flung them conveniently on the pavement and sat down to select a suitable scarehead to attract purchasers. He read the mass of letters of the headline: "Rockne dies in plane crash." He read no more. Half

blind with tears, forgetting his supply of papers, his precious wealth of the day, he staggered away. His idol was dead. The bottom had dropped out of the world for him. So had it for millions of others.

It is an amazing tribute to Rockne the man and Rockne the football coach that, though it is 17 years since that fateful crash, he not only still lives in the heart of Notre Dame and football's hall of fame, but likewise as an inspiration to the youth of this country. Unquestionably football lost its greatest leader and personality.

"Rock," as he was known to his boys, was not just a teacher of football and the physical side of athletics. He instilled the intellectual and moral values into athletics. He taught his players that sports were something clean and elevating and that clean living and straight thinking were the important parts of victory.

In my lifetime I have seen and heard speak many of the great world personalities, but to me the outstanding one was the immigrant Norwegian boy named Rockne.

The great tragedy of Rockne's death has been suffered by the youth of America for the tremendous influence for good which he exerted upon them. Rockne was, above everything else, a builder of men.

#### SPECIAL ORDER GRANTED

Mr. McDOWELL. Mr. Speaker, I ask unanimous consent that after the business of the day and any other special orders heretofore entered I may address the House today for 1 hour.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

#### PERMISSION TO EXTEND REMARKS AT THIS TIME

Mr. BUCHANAN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD at this point.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. BUCHANAN. Mr. Speaker, the subcommittee of the House Committee on Public Works are presently holding hearings on the disposal of temporary housing constructed under the Lanham Act of 1940, H. R. 5710.

Paul V. Betters, executive director of the conference, informs me that at the recent annual conference of the United States Conference of Mayors held in New York City on February 18, 1948, this conference went on record by resolution to the effect that—

#### RESOLUTION PASSED BY UNITED STATES CONFERENCE OF MAYORS, FEBRUARY 18, 1948

##### TEMPORARY HOUSING

Whereas the Director of the Public Housing Administration is proceeding to dispose of war housing, both that classified by them as temporary and permanent, in cities throughout the country; by sale of such housing for off-site removal and sale on site for occupancy; and

Whereas the Public Housing Administration feel they have a mandate from Congress to dispose of such housing as expeditiously as possible, based upon the Lanham Act as last amended in July 1943; and

Whereas these housing units were originally contemplated as temporary shelter, required in certain areas, to further the national defense during the war period and for the duration of the emergency, and not as a permanent subdivision development; and, as such, should be considered as an expendable byproduct of the war; and

Whereas the imperative need of all cities is for low rental housing, and it is the belief of this conference that the community's interest and well being should receive precedence over recovery value to the Federal Government; and

Whereas, international developments presage the continuation of an implied emergency period; and

Whereas these housing projects are operated on a low-rental basis that still results in a high rate of return to the Federal Government; and

Whereas most of this housing was built without regard to local building codes, and in its present status does not conform, precluding the advisability of annexing or leaving it as a permanent dwelling in the various cities; and

Whereas in the Congress much legislation has been introduced to authorize Government participation in low-rental housing construction, and on the other hand the Public Housing Administration is currently proceeding to sell, thereby eliminating all housing under its jurisdiction from the rental market, which is inconsistent with the current needs of the people represented by their officials at this conference: Now, therefore, be it

Resolved by the United States Conference of Mayors, That legislation should be passed by the Congress stopping the sale or disposal of emergency housing built under the Lanham Act, and as amended, by an agency of the Government, until such time as the supply of rental units more nearly equals demand, with such eventual disposal or a plan for such disposal being mutually agreed upon between an agency of the Government and the local governing body of the cities.

#### EXTENSION OF REMARKS

Mr. SIMPSON of Pennsylvania asked and was granted permission to extend his remarks in the RECORD and include a list prepared by the United States Tariff Commission comparing old and new rates of duty on various tariff classifications.

Mr. MACKINNON asked and was granted permission to extend his remarks in the RECORD and include an editorial.

Mr. RICH asked and was granted permission to extend his remarks in the RECORD and include a letter he received from a constituent in Lockhaven, Pa., on international affairs.

Mr. SHORT asked and was granted permission to extend his remarks in the RECORD and include certain newspaper articles.

Mr. ANGELL asked and was granted permission to extend the remarks which he expects to make in Committee of the Whole and include certain extraneous matter.

Mr. LANE asked and was granted permission to extend his remarks in the RECORD in two instances, in one to include a radio address he intends to deliver over Station WMEX tomorrow and in the other to include a newspaper article.

Mr. WHEELER asked and was granted permission to extend his remarks in the RECORD and include certain excerpts from



the Rehabilitation Service Bulletin published by VFW.

Mr. BUCHANAN asked and was granted permission to extend his remarks in the RECORD in two instances, in one to include an editorial from the New York Times.

Mr. HOPE asked and was granted permission to extend his remarks in the RECORD in three separate instances, in two of them to include newspaper articles.

#### CALL OF THE HOUSE

Mr. CANFIELD. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. HALLECK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 33]

Abbitt	Gore	Powell
Andresen.	Grant, Ala.	Rains
August H.	Hendricks	Reed, Ill.
Andrews, Ala.	Jarman	Richards
Bell	Jenkins, Ohio	Rooney
Blatnik	Kennedy	Sadowski
Boykin	Lesinski	Sikes
Busbey	Lewis	Somers
Carson	Lichtenwalter	Stratton
Celler	Lucas	Taylor
Clark	Ludlow	Thomas, N. J.
Coffin	Manasco	Vail
Cravens	Mason	West
Dawson, Ill.	Mitchell	Wilson, Tex.
Dingell	Norrell	Wood
Dirksen	Passman	Zimmerman

The SPEAKER. On this roll call, 377 Members have answered to their names; a quorum is present.

By unanimous consent, further proceedings under the call were dispensed with.

#### TAFT-HARTLEY LAW

Mr. HARTLEY. Mr. Speaker, I ask unanimous consent to extend my remarks at this point and to include some radio comments by Mr. George Reedy.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey [Mr. HARTLEY]?

There was no objection.

Mr. HARTLEY. Mr. Speaker, John L. Lewis, persuaded by a court order, finally put in an appearance before the President's fact-finding board.

This cantankerous gentleman is trying to prove that the Taft-Hartley law is too drastic. On the contrary, he is proving that it is not drastic enough.

The irony of this situation is that this law which Mr. Lewis condemns can provide relief for his United Mine Workers if he is right in his contentions.

Under the Taft-Hartley law, first of all, he could obtain an interpretation of this contract through the courts; and secondly, if, as he alleges, the mine operators have broken this contract, he can take them to court and sue for damages. There is some question in my mind as to whether or not the Taft-Hartley law will prove adequate in dealing with Mr. Lewis or any other person of such arrogance. Therefore, I have just reintroduced language from the original House bill which twice passed this House by an overwhelming majority which would ap-

ply the Sherman and Clayton Acts, the antitrust laws, to a labor monopoly in restraint of trade in the same manner as we apply it to a business monopoly.

This strike of the United Mine Workers, and there is no doubt that it is a strike, if continued much longer may have a disastrous effect on our entire economy and even threaten our national safety and security.

I want to show the people of this Nation that its representatives in the Congress are ready to meet this challenge.

#### RADIO COMMENTARY BY MR. GEORGE REEDY

Last July the always amazing John L. Lewis presented the southern coal operators with one of the most fantastic choices in American history. Either they must break a law clearly spelled out by Congress, or they must close down their mines.

He was allowing no ifs, ands, or buts. Half-way measures were not enough for the shaggy-browed boss of the United Mine Workers. Either they would capitulate or they could go under. He indicated he did not particularly care which course they chose to follow. The law he was asking them to violate was the Taft-Hartley labor law. That law specifically stated that State laws banning closed or union shops would take precedence over any Federal statute.

Lewis was insisting that all operators sign an agreement including a closed-shop arrangement. The law worried him then not in the slightest. As one of his lieutenants put it, the quicker we get that law into the courts and get it tossed out the better.

Just 3 weeks ago today, March 2, to be exact, I called attention to the fact over this microphone that Lewis had never let a year go by without creating at least one crisis. I also pointed out that 1948 promised to be no exception.

I observed also that most of the operators had resigned themselves to a major strike, complete with Shakespearean quotations. And that they were ready for the eyebrow waggling and table thumping that always accompanied a Lewis campaign.

Never let it be said that John L. Lewis is one to disappoint anyone in that regard. A work stoppage in the coal mines is now in its third week. Mr. Lewis, John L., that is, says that no action of his or the United Mine Workers is responsible for it.

Apparently there is no evidence available that he—or the United Mine Workers have. But there is no coal being mined, and your Government, and mine, and John L.'s too, would like his cooperation in getting the matter ironed out.

So, President Truman appointed a fact-finding board to get at the cause of it all. This was in accord with the Taft-Hartley law provisions. Mr. Lewis does not like the Taft-Hartley law, and he has said so. In fact, he called it a slave labor law.

When the Board requested his voluntary appearance before them to acquaint the Board with his story to help them in making their report to the President, Lewis' cooperation was contained in a letter to the Board outlining his disinclination to appear as requested. A subpoena was then issued by the Board, requiring his attendance yesterday afternoon at 2 p. m. But evidently that was Mr. Lewis' day to get a haircut or something, for he paid no heed to the subpoena either.

So the Board obtained a court order directing Lewis to appear in Federal court at 11 a. m. this morning to explain his stand to a judge. If Lewis fails to show up this morning, however, he may be held in contempt. And the judge can slap on any penalty he sees fit.

If Lewis or his lawyers do appear, a ruling on the fact-finding board's subpoena will be made. If it is held binding Lewis will

be given a second chance to testify. The second time, however, will be under penalty of contempt.

This is not to comment on the merits of the mine workers' dispute with the operators, if dispute it is. The important thing would seem to be the apparently callous disregard of the processes of the laws of this Nation in times of at least near crisis, by citizens who deem themselves a law unto their own.

It is a strange situation. One that could well make the founding fathers of our Republic rub their eyes with amazement and ask themselves how well they had wrought.

#### EXTENSION OF REMARKS

Mr. VAN ZANDT asked and was granted permission to extend his remarks in the RECORD in regard to an amendment to the Bureau Budget Act.

Mr. MILLER of Nebraska asked and was granted permission to extend his remarks in the RECORD and include a letter.

Mr. MUHLENBERG asked and was granted permission to extend his remarks in the RECORD and include extraneous matter.

Mr. SCHWABE of Oklahoma asked and was granted permission to extend his remarks in the RECORD in two instances, in each to include a letter from a constituent.

Mr. JAVITS asked and was granted permission to extend his remarks in the RECORD and include two newspaper articles.

Mr. HOFFMAN asked and was granted permission to extend his remarks in the RECORD on three subjects and to include two newspaper articles.

Mr. KEOGH asked and was granted permission to extend his remarks in the RECORD.

Mr. MADDEN asked and was granted permission to extend his remarks in the RECORD and include a newspaper article and a letter.

Mr. CHURCH asked and was granted permission to extend the remarks he expects to make in Committee of the Whole and include certain newspaper items.

#### SPECIAL ORDER GRANTED

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent that today, after the legislative business and any other special orders heretofore entered, I may be permitted to address the House for 5 minutes.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

#### EXTENSION OF REMARKS

Mr. MANSFIELD asked and was given permission to revise and extend the remarks he intends to make in the Committee of the Whole today and include extraneous material.

#### FOREIGN ASSISTANCE ACT OF 1948

Mr. VORYS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (S. 2202) to promote the general welfare, national interest, and foreign policy of the United States through necessary economic and financial assistance to foreign countries which undertake to cooperate with each other in the establishment and maintenance



of economic conditions essential to a peaceful and prosperous world.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill S. 2202, the Foreign Assistance Act of 1948, with Mr. CASE of South Dakota in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee rose yesterday the Clerk had read through section 114 of the committee amendment. Are there any amendments to this section?

Mr. VORYS. Mr. Chairman, I offer a committee amendment.

The Clerk read as follows:

Committee amendment offered by Mr. VORYS: On page 81, line 17, strike out the words beginning with "from" through and including line 19, and insert "for advances made by it hereunder from funds made available for the purposes of this title."

Mr. VORYS. This amendment is a technical amendment made necessary by the fact that the bill provides for financing by both loans and appropriations.

The CHAIRMAN. Without objection, the committee amendment will be agreed to.

There was no objection.

Mr. VURSELL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. VURSELL: On page 82, line 11, strike out "\$4,300,000,000" and insert "\$3,000,000,000."

The CHAIRMAN. The gentleman from Illinois is recognized.

Mr. VURSELL. Mr. Chairman—

Mr. BENDER. Mr. Chairman, will the gentleman yield to me?

Mr. VURSELL. I yield.

Mr. BENDER. I appreciate the gentleman's yielding to me at this time. We have had ERP for a week, now I would like to announce a little "Burp" after the ERP, for the Cleveland Heights High School Band from my own city will be here at 11 o'clock tomorrow morning on the Capitol steps; and from 11 until 12 tomorrow you will have the finest band concert you ever heard in your life. We have a fine tuba player who will be burping for you for an hour, and you will enjoy it. I hope the wind instruments will be in better tune than they are on the floor today.

Mr. VURSELL. Mr. Chairman, this amendment striking \$1,300,000,000 out of the bill will reduce the aid proposed in the bill from \$5,300,000,000 for the European recovery plan to \$4,000,000,000. It remains at this high level, after the reduction, by reason that \$1,000,000,000 has been provided for to be handled through the Import-Export Bank for grants and loans. If we reduce the amount proposed by this amendment the bill will still carry for the children's fund, \$60,000,000, for Greece and Turkey \$275,000,000, and \$570,000,000 for China. With this reduction the bill will still carry an appropriation of \$4,905,000,000 in all.

Nearly all of the Members of Congress want to give such support as is necessary to the western European nations and to China as will help those countries from a psychological standpoint and in a material way to encourage them to fight

off the rise of communism in such countries. We want to give them such aid as will prevent undue hardship for lack of food and clothing and will help them to rehabilitate their countries. Many of us feel that we cannot vote for the bill in its present form. I believe it would be a wise move on the part of the committee to accept this amendment to reduce the amount by \$1,300,000,000.

Mr. Chairman, the best the members of the committee supporting this bill can say for it is, it is a calculated risk. It is my opinion that this bill is not a calculated risk but is the greatest financial gamble ever taken by any government in the world. From my limited study of Europe with the Herter committee, I feel confident that if we reduce the bill by \$1,300,000,000 it still will provide \$1,000,000,000 more than is necessary for this Nation to make its greatest contribution against the encroachment of communism in western Europe and for the rehabilitation of the countries that really need aid.

There is little question in my mind but that the launching of the Marshall plan asking 16 nations to gather in conference and determine how much aid they needed from the United States was a colossal blunder in the very beginning. Now that the mistake has been made and that the international bankers, exporters, this administration, and the State Department, through the greatest propaganda drive in the history of the Nation have this measure before the House, I think it is incumbent upon the Members of this Congress who are the only representatives the people have, that they try to reduce the amounts, limit the program to 1 year, and set up the best possible management for the program. It will be less disastrous to this country if the Members of this Congress will now take over and have the courage to try to salvage what we can in the interest of our Government and the people.

Mr. Chairman, in the most reckless days of the New Deal through the past 15 years, even such advanced thinkers, liberals, and spenders as Tugwell and Harry Hopkins never dreamed up such a fantastic world-wide WPA as this Marshall plan.

So that the Congress and the American people, if they could have had the truth which they have not had, can better understand the obligations we assume under this plan, let me try to explain it in a few words.

This plan proposes to finance with supplies and materials 16 European nations in a manner to take care of what some of our congressional experts term "European balance of payments." That means, in short, that we propose to furnish to Holland or any other country enough money or supplies to put that country in position to maintain a standard of living equal to or better than they had prior to the war. Those are the deficits or balance-of-payment phrases which have been so glibly used by some Members of Congress. In other words, we pay the deficit for the nation and all of its people and for all of the 16 nations. Only we do not wait till the end of the year. We send thousands of trainloads of food at the expense of the American taxpayers to the various countries as fast

as it can be assembled and be shipped out of the country.

The balance of payments have been arrived at in advance by a group of young men, little men, in the State Department averaging between 30 and 40 years of age. Young men, liberal in their thoughts and liberal in contracting for the expenditure of \$20,000,000,000 which must come from the toil and sweat and taxes of the American people. Young men who have not had experience in business, none of whom have probably ever had to meet a pay roll. The State Department, or should I say, Bevin and the British politicians, have set the amounts this country should pay and the young men referred to have sought to justify those figures. The Foreign Affairs Committee has only had the menial task of trying to write legislation to provide these amounts and they have done a very good job with the task before them.

Mr. Chairman, all the United States Government has to do is to balance the books to determine at the end of the year whether for those European countries which have not been able to produce, manufacture, and export sufficient amount of goods, in volume and in value, to pay their own way. If they have not, we pay the balance or the deficit. That is what members of the Committee refer to when they talk about deficits or balance of payments. No balance of payment is made to the United States in this entire scheme. All balance of payments is made by the United States to other countries. It is a one-way street.

Mr. Chairman, the United States, when the tornadoes recently wiped out little villages in Indiana and Illinois, does not move in with a balance payment. Whatever the Red Cross does is the only aid our people receive when such disaster hits them. When 111 men were killed in the mine disaster a year ago at Centralia, Ill., and widows and children were left without support, the United States Government did nothing to help. When a man enters business, small or large in the United States, and loses at the end of the year, the Government does not step in and pay the balance.

If this country runs into a depression and we find ourselves with a deficit in the years to come, no government will be kind enough to send in their auditors to determine our deficit or balance and then send us a check or goods to take care of it.

Why not reduce this bill by \$1,300,000,000? Why not give some thought today and some encouragement to the people who have trusted us to represent them? Why not make this reduction and probably we can do something in aid for education throughout the Nation. Maybe we can give a little help to the older people who are begging the Congress for relief; maybe we can give the postal and Federal workers who are urging this Congress for an increase in wages to help them meet the high cost of living; maybe, if we can reduce this bill, the thousands of veterans who are writing the Members of this Congress employed in the postal department and trying to maintain a family on \$2,100 a year can be given a proper raise in salary.



Mr. Chairman, no Member of Congress, in my judgment, can escape his duty and give a satisfactory explanation to his people if he fails to vote for this reduction. The propagandists have not given the people the truth about this Marshall plan. You can vote to reduce this and when you explain your vote to the people at home they will praise you for taking such action. If we can reduce this to \$4,000,000,000 we will at least have saved the people the waste of \$1,300,000,000, which can be used in the interest of our own people. I urge the Members to have the courage to stand up and do the thing they know in their own hearts is right.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. VURSELL. Mr. Chairman, I ask unanimous consent to proceed for an additional 3 minutes.

Mr. VORYS. Mr. Chairman, I object.

Mr. VURSELL. Mr. Chairman, I hope the gentleman will not object. This is the first time I have asked for time. It is an important amendment and I hope the gentleman will not object.

Mr. VORYS. Mr. Chairman, I am sorry, I object.

The CHAIRMAN. Objection is heard.

Mr. JONKMAN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I rise in opposition to this amendment to reduce the amount, and I shall address myself particularly to the \$5,300,000,000 for the European program.

It will perhaps be remembered that on previous occasions I fought very strongly to reduce the amounts that were authorized for foreign aid. In each of those instances I could give a reason for the faith that was in me. It not only proved wastes but requests for authorization which could not be justified and constituted, in fact, operation "rat hole" requests. I offered to reduce the residual-aid bill last spring by \$150,000,000, and the argument I made at that time still stands. Last fall, when we had the interim-aid bill before us, I offered an amendment to reduce it by \$300,000,000. Every argument I made at that time still stands. However, I feel that in this particular case there are no good grounds for reducing the amount. In this bill I did just as on previous occasions, I asked the State Department to give me a balance sheet showing not only how it arrived at the total, but giving the dollar value of each commodity proposed for each country. This would be altogether too voluminous to analyze before the House. But I want to say that unlike on the three previous occasions I found no items of which I could say that on their face they looked "phony."

In the first place, I want to call the attention of the Members of the House to the fact that the amount has already been reduced from \$6,800,000,000 to \$5,300,000,000, this notwithstanding the fact that word came down from President Truman himself, and also from Secretary of State Marshall, that it should be \$6,800,000,000 or nothing.

Now, some of the Members may say that we have correspondingly reduced the duration of this program. Those

were the very things that I argued for in the other cases. I said then, "Why not cut off \$150,000,000 or \$300,000,000, and if they need any more, Congress will be here and can appropriate more." That is the thing that we are doing at the present time. We have said that we will cut it down to \$5,300,000,000.

Mr. VURSELL. Mr. Chairman, will the gentleman yield?

Mr. JONKMAN. I would like to use my 5 minutes. The gentleman has had his 5 minutes. I think the very fact that the time element has been reduced to a period of 1 year is something that we must not overlook and we can, if more is needed, review what has been done.

Mr. Chairman, I quite agree with those who say that you cannot see at this time what is somewhere near the correct amount that is needed for this program. As has been said so often on the floor, the main method of arriving at the amount is the balance of payments basis. That, of course, gives the Members very little to go by because that takes into consideration just the difference between, or the excess, of imports over exports, and imports may include a lot of luxuries and many things which give no real reasoning as to what is needed. I quite agree that you cannot say at this time whether \$3,300,000,000, \$5,300,000,000 or \$7,300,000,000 is more nearly the correct amount that we should appropriate or authorize in this bill. That is something that cannot be done with any reasonable degree of certainty until the Administrator is appointed and his representatives go into each country and make up their minds as to what is needed to carry out this program. And I want to reiterate that the success of the program will depend almost entirely on the character and capability of the man appointed as Administrator. He should have ample funds; but he should inspire trust that they will not be wasted.

We must remember that this is not a relief program; it is not just a plan to keep people from starving with 1,500 calories a day. This program is far more ambitious. This time we propose to see that people get 3,000 calories a day so they can do a day's work. We propose to get them more raw materials and machinery to increase their production. I do not wish to detract a particle of the credit of our military forces for winning World War II. But all of us have said at some time or other that our production won the war. So to the extent that we get western Europe in production can we count on her as a bulwark against war and a protagonist of peace. In fact, Mr. Chairman, this program is an option on world peace. Already the 16 nations under the impetus of this legislation have shown a cooperative spirit, that since the dawn of history was considered an impossibility. As was said here yesterday, if we do not have the cooperation of these 16 nations in western Europe, and war does come, those who fail to take the precautions that we take at this time will have a great deal to answer for. The purpose of this bill is to perfect cooperation instead of discord between European nations.

Mr. Chairman, I still think that \$5,000,000,000 is a terribly large sum of money. But it is true that sums of money are relative. Five billion is less than 2 percent of what it cost us to fight the war. It is 2½ percent of our annual national income. It constitutes 5 percent of the national production of the 16 nations. They themselves will produce the other 95 percent.

If the President appoints a competent Administrator we must accord him sufficient funds to carry out the objectives. Even though this has been called a calculated risk, a gamble, we should bear in mind that as above stated we are taking odds of 1 to 40 or 50 and even more. The amendment should be defeated.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

REPUBLICAN LEADERSHIP THROWS AWAY THE OPPORTUNITY OF A CENTURY

Mr. RANKIN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, we have just witnessed the march of the Republican elephant, when it stepped on the gentleman from Illinois [Mr. VURSELL] in its parade down the international avenue toward the economic ruin of the United States.

In fostering this legislation the Republican leadership has thrown away the opportunity of a century.

It makes me think of a crowd down at home watching for a street parade. When it turned the corner it was led by the elephant. A drunken Irishman looked at the elephant and said, "Here comes the whole kaboodle, but backwards."

Your party has reversed its position, and is now going down the road to international ruin for the American people.

The gentleman from Illinois [Mr. DIRKSEN] let the cat out of the wallet on yesterday when he said this fight was started by Peter the Great 200 years ago. This is the Bevin plan. Do not misunderstand it. You would have the same battle if the Czar was reigning over Russia today, you would have the same battle to expend American billions, and American lives, to keep open that commercial line of the old decadent British Empire to the Orient and to keep Russia out of "warm water" in the Persian Gulf.

No man on this floor has fought communism harder than I have; but I would certainly rather see Russia in warm water in that area for the time being than see the American people in hot water for the next generation or two. That is what you are getting us into.

This measure means regimentation. This is the greatest step toward socialism, which is the first long step toward communism, that we have ever taken.

You have just passed the bill extending rent control, that is causing the housing shortage all over the United States.

When you pass this bill, prices are going to spiral as they never have before. That is one reason the big oil companies are so much interested. They want to get as much for oil as possible. The Steel Trust is keeping its steel off the markets today. You cannot get steel for a rural power line because they expect to unload it abroad at your expense. When



this bill passes, you are going to have another price-fixing program. Then you are going to have rationing of purchases. That will mean regimentation for years to come.

In other words, this is the beginning, the first long step toward the economic bankruptcy of America, dragging us down to the socialistic level and the economic level of the poorest nations in the world.

That is what the enemies of American freedom have always sought and always clamored for.

I shall certainly vote for the amendment offered by the gentleman from Illinois [Mr. VURSELL]. I only regret that it is not an amendment to strike out the enacting clause and let this bill go dead.

The distinguished gentleman from Ohio [Mr. BENDER] arose a while ago and paraded the fact that a band from Ohio is going to come down here and visit the Capitol. He had better thank his God it is not the voters of Ohio coming down here and looking in and finding out just what is going on.

We have gone through two world wars and I have seen the fathers and mothers and their sons in the great sorrow and sacrifice that they made. Those boys are buried all over the world today. The internationalists have clamored for years and years and years to drag us into this very situation.

I told President Roosevelt in 1939, and I say to you now, that with the proper statesmanship we could have kept England, France, and the United States out of this last war, and let Germany and Russia fight it out or frown at each other for the next two or three generations.

But our superinternationalists chose a different course, which left us with an enormous casualty list, and with a national debt that it will take us a hundred years to pay.

Now these same internationalists propose to add this burden to the load of the already overburdened taxpayers of this country, together with all its promises of poverty, bankruptcy, and regimentation that may last for generations to come, and from which this Nation may never recover.

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

Mr. CHADWICK. Mr. Chairman, I move to strike out the last word. I rise in opposition to the amendment.

Mr. Chairman, I had not thought to speak on this bill. I have addressed the House on but few occasions, but that is not because of a lack of understanding of the responsibilities which are upon us, or an understanding of the grievous nature of our problems; but rather because I thought if I could manage my own individual vote correctly, I would have made what contribution I might to this great deliberative body, which has so much more experience than I have.

This amendment, however, raises a question which gives me an opportunity to express one thought that I have not heretofore heard expressed. I have lived a long time. I have had some opportunity to observe the people of America and the people of the world. It is

my conclusion that people are pretty much the same, wherever you find them. It is my observation, for instance, that the Czechs of Bohemia are more like Americans, more like Yankees, than any of the peoples of Europe. It is my confirmed belief that if we could know the Russian people, we would find that the Russian people are more like ourselves than we have any way now of knowing; but tragically, that does not make any difference. We are not going to be allowed to know what the Russian people are like, and they are not going to be allowed to know what we are like.

But we are endeavoring, it seems to me, in the measure which is now before us, to uphold the hands of the responsible people of western Europe. I want you to feel with me, if you will, that there are over there, as most of you know, just as there are here, a great group of responsible people who have to bear the burdens of civilization, and who have to carry the weight of civilization's faults. People who are responsible not only for their own conduct but for the conduct of peoples less able to think, and with less stability of character, and less know-how, less easily persuaded to bear the burdens as well as the benefits of democracy.

Some time ago when we were discussing the interim-aid bill, we were told it was a relief bill. It did not seem like that to me. I saw in that bill as you all saw, or at least most of you saw, this relationship between imports and exports to which reference has been made this morning. What does this mean? It means nothing less than this: There are in Europe, as there are in America, men and women who can be trusted in these troublesome times, who are laboring under greater difficulties than we, because they have suffered the wounds and destruction of war, as well as the economic burdens with which we ourselves are contending. Those are the people whose hands we must sustain. True enough, the emphasis of that bill was for relief, because if the responsible people of the world cannot find ways to see to it that the irresponsible people are fed and clothed, then government fails.

It does not seem to me that we owe any apology to anyone when we direct and channel our aid in sufficient and adequate amount to support the efforts of people like that, so that they in turn may carry with us this tremendous burden of democratic civilization, which without the integrity of that kind of people in Europe and that kind of people in the United States is bound to fail.

Therefore I must oppose this amendment, although I honestly think I know as much about the value of money, and the difficulty of bothering about the standard of living of other peoples, as most of you do. The democratic regimes are bound to fail unless we make adequate provision to help them. I think we should err, if we err at all, on the side of generosity, in view of the fact that no matter what we say here about this being for a 4-year period, we know that we must in the future face this question again next year.

I urge you, in the name of people like yourselves in all of the countries of west-

ern Europe—and I assume China, too, although I know nothing about that—I urge you that we do the adequate and the sufficient thing at this time. The eyes of the world are upon us. If there was ever a bill before the House in the two short years of my service here with which I have no difficulty, it is this bill. On this bill I am truly relaxed. I have been in favor of this plan ever since it has been projected; it is the only plan that is offered short of a shooting war. I figure that it has about a 50-50 chance to succeed, but that sounds like a sound speculation to me when the safety and security, even the very lives, of the people of the world are at stake.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. VORYS. Mr. Chairman, I wonder if we can agree on a limitation of debate on this amendment to 30 minutes, with 5 minutes for the committee.

Mr. ELLIS. Mr. Chairman, I object.

Mr. VORYS. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 40 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

Mr. RICH. Mr. Chairman, I object to that, unless we can get 5 minutes each.

The CHAIRMAN. Objection is heard.

Mr. McCORMACK. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, the remarks that we have just heard, by the gentleman from Pennsylvania [Mr. CHADWICK], in my opinion, constitute one of the most powerful speeches I have ever heard during my years as a Member of this body, for logic and clear thinking. The remarks just made by our friend from Pennsylvania [Mr. CHADWICK] seem to me to be convincing. Let us pause for a moment and look over the world. In 1939, 1940, and 1941, we were fighting in this very Chamber to do the things that would meet Hitler and nazism, the first devil. We have got to be frank with ourselves and with each other. We had to lick the first devil first, for our own protection and for our own existence and for our own national interest. We have got to think clearly, based upon conditions that exist. We cannot let what we would like to see existing govern our reasoning or what we would hope for. We are faced with a very practical situation. We have got to view the practical situation that confronts us from a realistic angle. It is not what we would like to see or what we would hope and pray for. If we are going to do some praying, we might follow what the Right Reverend Monsignor Fulton J. Sheen said yesterday, that we do some praying ourselves, and pray that the good Lord will put into our minds thoughts to do the right thing, and that we will take the right course, not only for our own country but for a future decent world.

Now, what has happened? Where is Lithuania? Where is Estonia? Where is Latvia? Does that mean anything to any of us? Where is Poland? Where is Rumania? Where is Bulgaria? Where is Yugoslavia? Where is Albania?



Where is Hungary? What is the situation in Austria? What attempt is being made against Greece and Turkey? Who is doing it? Is it the United States of America? No. It is the Soviet Union that has done all these things. What about Finland? Does that mean anything to us from our own national interest in 1948, with the rapidity of travel, and the fact that 3,000 miles of Atlantic Ocean is no longer a first line of defense; and at a time in our world's history when we cannot afford to let the smallest speck of an island in the Atlantic get into the hands of a future potential enemy of ours; with a course that is necessary in our own national defense and our own national interest. What do you suppose will happen to Finland? What is the next step? Norway and Sweden? What about Denmark? As a matter of fact, I have no knowledge, but I would not be surprised if already the Soviet Union has not made demands upon Norway. If Norway comes within the direct sphere of the Soviet orbit, what effect does that have upon our national interest, not in 1848 but in 1948?

What about Greenland and the effects of pressure there, if successful? Yes; Iceland! What about the Lowlands of Europe? Then what about the attempt being made in Italy? If Italy goes, the chances are that all Europe goes. If Italy goes, there will be a pincers, one blade into the Mediterranean, the other into the Baltic and the Atlantic. What do those things mean to us, not from the angle of hope but from the realistic angle to make a future decent world, as well as for our own national interest? And our existence is linked up with an existence in a future decent world somewhere of other free nations, but from our own direct national interest what does it mean to us? So I like to examine it from the standpoint of the national interest of our own country. It is of vital importance that we act affirmatively and effectively, not only affirmatively but effectively.

Only a few days ago the great head of the Catholic Church, His Holiness, Pope Pius XII, was speaking to 400,000 people in Rome, and nobody knows more about world conditions than he. He said, in the words of the Redeemer, "He who is not with Me is against Me," paraphrasing the words of the Redeemer. I say, "He who is not with America—the Communist—is against America." This observation also applies to any other subversive person or group.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. REED of New York. Mr. Chairman, I rise in opposition to the pro forma amendment.

Well, here we are again in the attitude of a psychological crowd, the same old story, trying to play upon the emotions of the people and dethrone their reason. But you are not going to fool the people back home this time; they have heard this before, they have seen it played for political purposes; this is once, though, they do not propose to be catapulted into a war, and they are not going to divest themselves of their own resources that

are needed to defend themselves if it becomes necessary.

I remember being over in France at the time our first group of soldiers were marching up to the front. It was a wonderful and a glorious sight to see them and to hear the music. That was all fine. I saw them afterward, too. I saw them in the hospitals. So I know something about what war means or did mean then.

But just think of this—we were sending the flower of our young manhood to France to protect France, yet I have the documented evidence that when France was short of materials she simply sent word over to Germany as to what she needed in order to fight; and when Germany was short she told France what she needed in the way of war materials, and they were constantly exchanging war materials across the line while our men were fighting. Do not misunderstand me. I have documentary evidence to show that. That shows the rottenness of the whole world military set-up.

Now, what are we doing in this bill? During this last war we were shipping the material necessary for Germany which she got from European countries. I have the records of how much we sent. We sent war materials to Mussolini, and I have the record to show how much we were sending. We shipped war materials to Japan. I have the authentic record.

Do you think this ERP shipment of goods is going to stay in the 16 countries we are talking about? Do you think the goods are going to stay with them? You had better stop and do a little thinking on this subject. What is going to happen is this—the very goods that you are sending over there to the 16 nations will be seeping right into the satellite countries of Russia. Our allies are going to help her get our ERP goods.

Yesterday the question of the 1,100 locomotives that we gave to Great Britain under lend-lease was mentioned. Well, remember, she has a socialistic government and they are very sympathetic with Russia. Right now the engineers are here to find out if it is possible to narrow the gage of those 1,100 locomotives. Why? Because England proposes to sell them to Russia. Why?

As I told you yesterday, this whole thing is a gigantic fraud.

We should make our own Nation strong. We should show that we can make our Government work and the whole world will take notice. There will be revolutions in other countries to better conditions and bring about representative governments.

We can make this country strong. When the people gave us their mandate 2 years ago they did not think this Republican Congress was going to lead them into the greatest international boondoggling program that this country has ever seen. But they see it now, and you will hear from it when you go home; and do not make any mistake about it.

Mr. ELLIS. Mr. Chairman, I move to strike out the requisite number of words.

Mr. Chairman, in view of the discussion yesterday on the way our relief goods are being distributed in Europe, I believe a letter received a few weeks ago

from an American officer serving in Greece will be interesting as it contains some very pertinent information, particularly in view of the remarks just made by the gentleman from Pennsylvania.

After the salutation, the letter reads:

From reports from home, evidently the stories out of Greece indicate that there is a general civil war. But such is not the case. There is a small area in the north, some 300 miles from Athens, where guerrillas come down from the mountains and attack villages, burn houses, steal food, kill certain people, and conscript young men to go with them. It is estimated there are only a small group of bandits—possibly 20,000.

I wish I could sit down and talk with you about the situation here. I am not impressed with the reaction of the Greek Government to our aid. As a matter of fact, they have taken this time to criticize all Americans instead of cooperating with them. The Greek politicians seem to think that Americans must, whether they like it or not, give millions of dollars to them to spend as they see fit.

I do not believe the American taxpayers know that when consumer goods are bought with our money and sent to Greece that the Government of this country takes those goods and sells them to merchants. In many instances the merchant marks up his goods by at least 500 percent before he sells them. You may pass this information on to your associates.

This discloses the thinking of the people we are aiding and their attitude toward America and our people. It does not seem possible that we would vote to continue aid under these conditions.

Mr. RICH. Mr. Chairman, I rise in favor of the pending amendment.

Mr. Chairman, I am in favor of the pending amendment, and then I am against the bill, because we have to consider more carefully than we are just what we are doing by passing such legislation as this. Unless this bill is amended materially I could not be for it.

Mr. Chairman, on March 25 our country was \$253,000,000,000 in the red, whereas all of the other countries included in the Marshall plan and this bill, except China, Japan, and Spain, are in the red to the extent of \$181,000,000,000. We have a debt of over \$70,000,000,000 more than the combined debt of those other countries. Then how can we finance the world? Why should you think we can?

Mr. Chairman, statements have been made by Members on the floor of this House that this legislation is at best but a chance. We do not know. We are hoping that it will do some good. We think so. We believe it is a 50-50 proposition. Mr. Chairman, if I were spending \$17,000,000,000 of the taxpayers' money I would want to know that it is definitely going to do some good. I would not have any doubt in my own mind that it is a chance. If we take from the people of this country through this legislation this tremendous sum of money, it should be something that is going to be permanently sound and permanently sensible. We should be sound enough to know it was money wisely and soundly spent for the benefit of our people.

It is stated that the people of the country want this legislation, but that is just



because of the large amount of propaganda that has been sent out. The people do not know what is involved. What is going to happen when the bill is passed, if we pass it today? The first thing will be that all merchandise in this country is going to advance 5 or 10 percent. Everybody knows you are going to buy the greater amount of merchandise here in this country away from our own people who are hollering now about high prices. Then we will have the unions after more money, because they cannot buy that merchandise. Why do you as Congressmen not give consideration to our own people, their welfare, their comfort, their needs? This money will most all be wasted, squandered, and do very little good to our own country, but will mean higher taxes and higher prices, also scarce commodities to our own people.

Now, what are you going to do? Are you going to take care of the American people or are you going to sink America by passing this kind of legislation? I want to say that it is about time that we woke up and looked after the people of this country. We have just got to think about some of the founders who established this country of ours. Just think of Thomas Jefferson. He said:

I place economy among the first and most important virtues, and public debt as the greatest of dangers to be feared.

I tell you men that with the debt we have now anything can happen to us if we do not look after our own country and our own people. You cannot take in all the nations of the world and expect to do everything that they want, and expect to keep this country in good financial condition. It just cannot happen. As a manufacturer, if I start to manufacture 100 articles and my salesmen want me to make everything they want to sell, I will have to make too many items, and I cannot manufacture them in proper quantity or economically, but if I take 10 items and manufacture them in a good, sound, business way, and market them properly I will make a success of my business. The same thing applies here now. Congress is now sticking its nose into everybody's business in every country in the world too much, too many, and Marshall is down in South America, and when he comes back he will have another program to consider no doubt. I have never seen in all my life such extravagance and such waste, why you do not have the proper consideration of our people, our country's welfare, or our ability to assume all this obligation. It has proven already these gifts are wrong. Look at England, \$4,500,000,000 wasted, Greece and Turkey, \$300,000,000 gone, 7,000,000 Czechs now in Russian hands. Lend-lease now building up Russia. Stop this bill; do it now, is my prayer.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. COX. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, we are confronted with the greatest question that has come up in a long while. We ought to be able to get our heads out of the sand, take a look at things and realize that if that

part of the world not already behind the iron curtain is not organized to the point where it can successfully repel the aggressions of Russia, all is lost. The pending amendment should be voted down.

Mr. PHILLIPS of California. Mr. Chairman, I move to strike out the last three words.

Mr. Chairman, before I ask the questions of the Committee, which I rise to ask, I want to express my personal feeling, and I say this with respect to the Committee, that no more unfortunate thing could be done today than to limit debate. This debate precedes one of the crises in the history of the United States. We are today deciding the extent to which we will jeopardize the freedom and the liberty of the United States in the belief that that effort will, in turn, protect the liberties of people abroad when, in the minds of many people here, we should be strengthening our liberties and strengthening our country in order that we may protect the liberties of people both here and abroad.

My questions are these: The gentleman from Illinois [Mr. VURSELL] offered an amendment to reduce the amount of money appropriated in this bill. There have been several altruistic speeches made on the basis that we should do something for the good of the people of the world. So I rise to ask a very practical question, and I hope the gentleman from New York [Mr. GWINN] will give me his attention as well as the gentleman from Ohio [Mr. VORYS].

When the 16 ministers met in Paris, upon whose studies and upon whose report this so-called Marshall plan is based, the details of which are very obviously not known to Mr. Marshall himself, when this plan came to Washington it did not contain a request for the amount of money embodied in the bill when the committee brought it to the floor. In other words, the foreign ministers, in the original conference in Paris, as shown in the report—and the page numbers have been recited in the CONGRESSIONAL RECORD—when those foreign ministers met they did not expect the United States of America to put up \$6,800,000,000, as the committee brings the bill to the floor. To say that it is \$5,300,000,000 is, to my mind, meaningless. That is merely a translation of 15 months into 12 months, so we are talking about the same thing. The foreign ministers did not ask the United States to put up \$5,300,000,000. They expected, boiled down, that the United States would probably be called upon for about \$2,600,000,000. Their intent was to bring out in these countries their own currencies which were in hiding. Their intent, specified in their report, furnished every Member of this Congress and placed upon his or her desk, was to use their own assets which are in other countries. They expected that where material or food came from South American countries or from Canada those countries should extend credit or take some of the load, and not that the United States should carry the entire load.

I will yield to the gentleman from New York for an answer to this question: Am I not right in the statements I am

making, and has not the gentleman as well as myself placed those figures in the CONGRESSIONAL RECORD?

Mr. GWINN of New York. The figures are in the report itself; the Paris report of the 16 nations confirms what you say.

Mr. PHILLIPS of California. The foreign ministers did not expect the United States to put up \$5,300,000,000. In the face of that, and without other information from the committee which would deny these facts, which are printed in the report upon which the so-called Marshall plan is based, I ask the committee, why should not this Congress vote for the amendment offered by the gentleman from Illinois [Mr. VURSELL], which attempts to reduce the amount to a figure more nearly like that requested by the foreign ministers, upon whose studies and report the original request was based? That is my question.

Mr. VORYS. That is a long question, and I shall try to give a short answer. The amount which is in the committee bill was arrived at after screening by our own experts, by the Krug committee and by the Harriman committee, and represents a proportionate reduction in what the 16 CEEC countries hoped they would get. As the gentleman knows, they first wanted \$29,000,000,000, then \$22,000,000,000, and then we reduced their ideas to \$17,000,000,000. This \$5,300,000,000 would be the first part, merely the part for the first year. It is of course impossible in 5 minutes or 5 days to review the mass of material we have gone through that makes us feel the amount is justified.

Mr. PHILLIPS of California. The gentleman admits, then, that Congress does not have the information.

Mr. GWYNNE of Iowa. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, for some time I have been trying to get myself in a frame of mind where I can support this bill. I intend to support this amendment. I may say that it is becoming for me more difficult every minute to support this bill at all.

I have had the privilege recently of being out in the Midwest. I find a rather amazing situation not only among the people but right here in this Congress, at least right in this House. Never, probably, in the history of America has any legislative proposal had the benefit of as great propaganda as this bill has had. The activities of P. T. Barnum would be nothing compared with the words that have gone out over the radio and in the press to sell this thing to the people for something that it obviously is not.

Incidentally, if this were a bill to aid hungry people, people made hungry and homeless because of war, you would pass it here with probably not a dissenting vote. I find here in the House, in spite of the fact that the leadership of two great parties are promoting this legislation, that there is a great lack of confidence in it, right here among the people who are going to vote for it. Now how do you explain that? While I was at



home and had the privilege of meeting many people, they asked me many questions about this bill which I could not answer and I am relaying them to you in the hope that perhaps you may be able to furnish the answer to me.

The people are pointing out that certain countries are included in the bill, which countries did not take any part in the war, for example Ireland, Portugal, and Iceland. My grandfather and grandmother came from Ireland. I have a great affection for the Old Sod. But why do we include Ireland, which was not in the war and which so far as we know did not suffer from the war. Then I told them that I had heard it had something to do with the balance of trade, which really means the balance of production. If the balance of trade is against Ireland or any other country, it means that the balance of production is against Ireland. If we are going to adopt that philosophy, where are we going to stop? Are you going to go to every country which spends more than it makes and make up the difference? Of course, we have done that in our own country, I admit. That is the philosophy upon which the New Deal has always operated. But I suspect that when you undertake to spread that doctrine all over the world, you are going to run into a bankrupt nation before you get the job done.

The next thing, it is said that this will prevent war. Let me tell you that the people do not believe that. Do not disillusion them any more. They are not in a mood to be disillusioned. They are very disturbed now, and the debate and the facts here show that we do not believe in this bill ourselves. While we are arguing about this bill which you claim will prevent war, in other places here in Washington they are urging large appropriations for national defense. I am in favor of that incidentally. I would like to see a big Air Force built up. It seems to me if the danger of war is so imminent, why not rely upon the only thing that has brought us safely to victory through two World Wars, and that is our own strong right arm? Of course, the people do not believe that this bill will prevent war. You do not believe it and the administration does not believe it.

Now I want to go to another point. They say that this will prevent communism. Many of you seem to assume that. You take it for granted. I have heard no explanation of how this bill will do that, but apparently you accept the philosophy that communism comes from hunger, and that if you are poor and are lacking in worldly goods, then you will be a Communist. If that had been true; Mr. Chairman, the people who built my State would have been Communists, because they had very little to start with. It is not lack of wealth which makes communism but lack of opportunity, and let us not forget that.

For years in this country we have been going down the road toward socialism. Through monopoly in business and labor unions and bureaucracy in Government we have destroyed opportunity for our young people. The lavish spending of Government money in this or any other

country will not prevent the spread of communism, socialism, or any other form of statism, unless opportunity is once again afforded to our people.

Mr. VORYS. Mr. Chairman, I ask unanimous consent that debate on this amendment and all amendments thereto with respect to the amount in this title close in 30 minutes.

Mr. CHURCH. Mr. Chairman, I object.

Mr. VORYS. Mr. Chairman, I move that debate on this amendment and all amendments thereto with respect to amount close in 35 minutes with the last 5 minutes reserved to the committee.

Mr. RAYBURN. Mr. Chairman, I would like to have some time on this amendment, and taking into consideration the number of Members who are on their feet who apparently want to speak on this amendment, that limitation of time would certainly cut them off.

Mr. VORYS. Mr. Chairman, I withdraw the motion.

The CHAIRMAN. The gentleman from Oklahoma [Mr. RIZLEY] is recognized for 5 minutes.

Mr. RIZLEY. Mr. Chairman, in this Chamber we have no peers. Some of us are better suited to serve in one capacity, while others are better fitted to serve in another capacity. I, personally, believe with all my heart the statement that this is the greatest deliberative body in the world. I may at times be disappointed in the way some of my friends vote. No doubt my friends are disappointed many times in the way I cast my vote; but I am never critical of them—that is a matter that each Member must decide for himself.

I have heard it said in the past few days around here, that if we were to have a secret ballot here on this bill, there would not be 50 votes for it. That, I don't believe, unless the roll call shall finally determine that to be true. If the statement is true that a huge portion of the membership of this body would cast a different secret vote than they would a public vote—which I again repeat, I do not believe—then God save the country.

It has now been a little over 2 years since the end of World War II, which cost us a million casualties and left us with a staggering debt of nearly \$300,000,000,000. We annihilated Hitler, Mussolini, and Tojo, and stopped them as the aggressors of their days; but in so doing, we were compelled to exhaust many of our resources, natural and otherwise. The whole thing has caused a terrific impact on our economy. Only an inflated and unparalleled continuance of an abnormal national income can prevent, in my humble opinion, national and personal bankruptcy. Certainly everyone I am sure will agree that in order to finance requested budgets, domestic and foreign, that it can only be done in the event our national income continues at substantially the present level.

We are now threatened—if we are to believe those who know in the executive branch of our Government—with another world war. Another ruthless dictator, one of our partners in World War II, is on the march. We are told, and

from every indication, his intentions are to make the world safe for communism and to supplant with it every republican form of government and every representative democracy now in existence.

Every loyal American hates and despises communism. It acknowledges no God except the state, and it respects and recognizes neither freedom nor liberty for the individual citizen.

I am sure that every loyal American wants to do everything he can, regardless of cost, to stop the onward march of those who would destroy liberty and freedom and enshrine in their place slavery and despotism.

We were told and the country has been led to believe that this bill is designed to and would thwart and retard the march of communism by lending and giving economic aid and assistance to 16 countries in Europe who would band themselves together to fight the march of communism. Having been led to believe that this proposed legislation was to afford economic aid and security, and to assist this group of friendly nations in Europe to halt the march of communism, I had purposed in my heart to vote for the bill; but, Mr. Chairman, who do we now find?

This is not a bill to assist the so-called 16 friendly countries of Europe in the fight to stop the spread of communism. This is not a bill to make friends of hungry and naked people by feeding and clothing them. This is not a bill to support private enterprise in the countries of Europe and to assist them in rebuilding their factories.

On the other hand, in its increased and enlarged form this seems to be a bill to subsidize, indirectly at least, some segments of American business, industry, and to some extent American agriculture. You have millions in this bill to subsidize the American tobacco industry. Yesterday we subsidized the corn growers of America. Oh, yes, it is true that we limited it by saying that they could not use the corn to make whisky, but that seems to be the extent of the limitation. Are we going to feed the hungry people in Europe tobacco and clothe the naked with corn husks?

Yes, we are going to bail out in this bill bad and unwise investments of many groups and individuals here and abroad. We are committing ourselves not only to economic aid in Europe, but to military aid in Europe and Asia. There are no limitations in this bill as to the time, except a minimum of 4 years that we shall continue to donate, nor as to the ultimate amount that we will give away. We are starting on a program which I suspect if we can make it work at all, will ultimately cost us in China alone, \$25,000,000,000.

Now I would not particularly be opposed to that, if the American people could afford it. I do not believe our economy can stand the drain that this bill now contemplates in its enlarged form, without wrecking our own Government and bankrupting our own people.

This bill as now contemplated, will leave us nothing with which to strengthen our own national defenses. If we are to be safe, in my judgment we need to augment substantially our Army, our Navy,



our Air Corps, and the entire over-all preparedness program necessary for our own national security and our national defense.

This bill as now written and enlarged, will, in my humble judgment, of necessity require a return to wartime controls, rationing, and the OPA. If this is done, we will not be able to reconstruct our own defense plants and take care of the absolute needs of our people to carry on the industrial pursuits and agricultural pursuits necessary to maintain our economy and give us a national income of sufficient portion and size to pay our bills.

If I should vote for this bill as now written and enlarged, I should certainly oppose tax reduction at this time and should vote to sustain the President's veto of the pending tax bill.

We just cannot have our cake and eat it too.

Mr. CLASON. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I intend to vote for this bill, but I shall have to admit that the last hour of debate on yesterday and what has gone on thus far this morning would cause almost any Member of the House to worry about the purposes of the expenditures under this bill. It seems to me that a lot of work will have to be done by the conferees when the bill goes to conference ultimately to have a law that will satisfy the American people; and then we are placing a tremendous burden upon our Appropriations Committee to see to it that only so much money is appropriated for the various purposes as is truly justified. I would like at this time if I could, in view of the serious shortages of fuel oil in Massachusetts last winter, to find out from some member of the committee, the gentleman from Ohio [Mr. VORYS] because he spoke yesterday about it, just what the intention is under this bill with reference to petroleum products.

According to the RECORD, page 3764, it is agreed that \$3,500,000,000 is to be spent on petroleum requirements, petroleum equipment, and tanker shipping in the next 4 years. That would indicate that a billion dollars of this appropriation this year is going into petroleum.

The further statement appears that about 76.7 percent of the petroleum requirements will come from the Western Hemisphere.

I would like to have the chairman tell us whether or not in the determination of the amount of money for this year any thought was given as to how much would be spent next year for petroleum requirements?

Mr. VORYS. If the gentleman was here yesterday, he will remember that the members of the great Interstate and Foreign Commerce Committee submitted a list of questions along this line and I agreed that I would have full answers for them later in the day. That will answer their questions and the gentleman's questions.

Mr. CLASON. In other words, the gentleman does not have the answer for them right now. Is that the gentleman's statement?

Mr. VORYS. I do not propose to take up time while we are debating the

amount of this bill in going over, over, and over again the same thing when we are going to clear it up a little later in the day.

Mr. CLASON. Then it looks to me as far as the gentleman's committee is concerned that it is not in a position to tell the Members of this Congress at this time whether the people of western Massachusetts, the people who suffered during this past winter because of failure to receive petroleum products that they needed, whether or not they are going to have it next year and to what extent the future is going to be badly affected by the passage of this bill.

Mr. VURSELL. Mr. Chairman, will the gentleman yield?

Mr. CLASON. I yield.

Mr. VURSELL. As I understand from the official figures of the committee, this bill provides for \$3,500,000,000 in the 4 years for petroleum and petroleum products, steel and equipment. If we can cut out of this bill \$1,300,000,000 we will have more oil left for the United States of America.

Mr. CLASON. Mr. Chairman, on the point of cutting the bill \$1,300,000,000, may I say that I am going to vote for the full amount of the bill. I shall hope that the conferees will come out with legislation under which the money can be spent in a manner that will safeguard the interests of our people. I am very frankly disappointed that during the hour of debate yesterday on tobacco, on liquor, and on everything else, no one seemed to be able to give to the House proper answers to questions which were raised here, as I see it, by persons who are anxious to support the bill. I am worried that one-fifth of the money to be spent on this program is to go into petroleum. It seems to me that we ought to have due regard for the interests of our own people. I certainly wish that the committee had reported a bill with the Herter proposal or set-up in it. I believe then we would be assured of a businesslike operation of this act. I am not so certain under this bill that we will have such operation.

Mr. HERTER. Mr. Chairman, will the gentleman yield?

Mr. CLASON. I yield to the gentleman from Massachusetts.

Mr. HERTER. There are two points. One is the question of our own domestic economy. As the bill is now written the Administrator is instructed to protect our own domestic economy.

On the question of how much oil is to go out of the country, it is my recollection that the estimates of requirements, not what would necessarily be exported from this country, are roughly 100,000,000 barrels. However, there is specific provision in the bill that there is not a single commitment to ship out any commodity.

Mr. CLASON. I thank the gentleman.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. JOHNSON of Oklahoma. Mr. Chairman, I move to strike out the required number of words.

Mr. Chairman, I am going to vote against this bill and I do that for one reason only and that is it will not achieve

its announced objective of stopping the mad onrush of communism across western Europe. If I thought it would do that I would support the bill.

Mr. Chairman, may I say at this time that I am going to vote for all measures which I think will put this country in the state of preparedness that it should be, whether it be the revival of selective service or building up a 70-group air force. If you will remember, when Secretary Marshall made his Harvard speech, on the basis of that speech this bill was not designed at that time and it was not stated to the American people then that its purpose was to stop communism throughout the world. In fact Russia and her satellite countries were asked to participate in it and they can do that under this bill. But it was found that the bill would not go through on any such basis. So they have now given us this sugar-coat.

All of us, if we thought it would actually result in stopping communism, would vote for it. I listened to the gentleman from Illinois [Mr. DIRKSEN] yesterday, who told us about a laborer over there in Germany, Italy, or France who could not even lift a railroad tie because he was so weak. But how is that railroad worker going to feel when he has to pay black market prices to get this food we are supposed to be sending over there, and which the poor believe will be free? What is the psychological impact going to be on him? You know what it is going to be. In most cases those fellows do not have money to buy food. We cannot get the Foreign Affairs Committee to tell us why they make those people pay for those goods in local currency. They are as silent as a tomb on that. And it costs the American taxpayer just as much as if it were free to those people.

Mr. Chairman, as I have stated before, I spent 2 years in France. I know those people. I paid out millions and millions of dollars of your money over there in foreign claims. I know the psychological impact of the people of France, Italy, Luxemburg, and Germany when they get American money.

You must always remember this: that you cannot bribe "Horatius to hold the bridge." If you think you can, I say to you that it is a foolish thought. Horatius wanted to hold the bridge. He didn't have to be paid. Let me ask you this: When we were sitting here as we did yesterday, when we were trying to write in the Colmer amendment and had the debate on the Mundt amendment, what did we find? We found the gentleman from New York [Mr. BLOOM] resisting it with all the vigor at his disposal. "Oh, no; we cannot make Russia mad. Russia is a friendly nation." And yet we find that here Thursday, a week ago, the President of the United States came in here and asked us for these three proposals, and telling us what a threat Russia is, and then we find him again last week saying that we have to keep on shipping more materials such as airplane engines to Russia, because she is a "friendly" nation. I ask you, how can we accept blindly such leadership? We have left such shipments to the discretion of the Administrator under this bill. If he is appointed by the President of



the United States, is he going to exercise any more discretion than Harriman, than Marshall, than President Truman in allowing war material to be shipped to Russia? Oh, no; they keep on shipping war materials over to Russia, and will likely continue to do so. How many of you listened to the speech of the gentleman from Oklahoma [Mr. RIZLEY] yesterday, and the letter he received from the shipping people in New York showing the war material we are shipping to Russia? I say to you it is wishful thinking that the Administrator under this program is going to exercise any more discretion than Marshall, Harriman, and President Truman have exercised the last 3 months. I say to you that this bill is not designed to stop communism and it will not stop it in western Europe.

Mr. VURSELL. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Oklahoma. I yield to the gentleman from Illinois.

Mr. VURSELL. I think the statement ought to be cleared up. The gentleman comes from an oil State. This bill carries something like \$3 500,000,000 for oil, to which we are committed, but if we only furnish \$250,000,000 we must buy it from other countries and send it to western European countries at the expense of the taxpayers of this country.

Mr. JOHNSON of Oklahoma. The gentleman is right. But how can you clear it up if the gentleman from Ohio, [Mr. VORVYS], who is in charge of the bill, cannot or will not clear it up? They either do not know what is in the bill, or they will not tell us. I will tell you that the housewives, the farmers, the motorists, and the oil companies in this country that are short of steel and who are trying to produce domestic oil, are going to be vitally interested in this bill. The farmers are going to be interested in it when this bill goes through tonight, and they can't get farm machinery. Everybody is going to be interested in it also about 3 months from now when prices go up and when the OPA controls and rationing are restored. I think, even despite all of the dislocations and hardships that this bill will cause, I would be for it if it would do what it is supposed to do. But it will not. So I shall vote against it. The eighteen billions outlined under the Marshall plan should be used instead to build for us the greatest air force in the world.

The CHAIRMAN. The time of the gentleman from Oklahoma has expired.

Mr. O'HARA. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, I hope that there are no delusions regarding where 60 to 70 percent of this money is going. Of this year's appropriations, about the first 60 or 70 percent is going to England, and that has all been agreed upon. If that is not true, will someone on the Committee on Foreign Affairs say so? Hearing no answer, I presume that that is true.

Mr. BLOOM. Mr. Chairman, if the gentleman will yield, I will answer it.

Mr. O'HARA. Very well.

Mr. BLOOM. Does the gentleman mean to say that this bill provides that that amount of money will go to England?

Mr. O'HARA. No; I understand that that is the agreement.

Mr. BLOOM. Well, there is no agreement.

Mr. O'HARA. There is nothing in the bill; no.

Mr. BLOOM. Not anything of the kind.

Mr. O'HARA. There is nothing in the bill, but does the gentleman deny that that is not the agreement?

Mr. BLOOM. That is not the agreement. There is no agreement specifically made for any amount of money allocated any place.

Mr. VURSELL. Mr. Chairman, will the gentleman yield?

Mr. O'HARA. I yield to the gentleman from Illinois.

Mr. VURSELL. From the specialists in the Committee on Foreign Affairs, I got the figures that something like the figures that the gentleman gave are supposed to go to England; about 40 or 50 percent of the whole amount, I think.

Mr. O'HARA. Yes.

Mr. REED of New York. Mr. Chairman, will the gentleman yield?

Mr. O'HARA. I yield to the gentleman from New York.

Mr. REED of New York. In view of the fact the gentleman from New York [Mr. BLOOM] knows what has been committed and what has not, I wish he would tell us some of the commitments made in the Yalta and Tehran agreements.

Mr. O'HARA. Yes; I would like to find out that information also.

Mr. DORN. Mr. Chairman, will the gentleman yield?

Mr. O'HARA. I yield to the gentleman from South Carolina.

Mr. DORN. According to the answer that the gentleman from New York [Mr. BLOOM] gave, he does not know what is in the bill.

Mr. O'HARA. I understand they told the Committee on Rules that when they were before that committee.

Mr. BUFFETT. Mr. Chairman, will the gentleman yield?

Mr. O'HARA. I yield to the gentleman from Nebraska.

Mr. BUFFETT. There is a substantial amount of this money for China. Does the gentleman know whether or not the Committee on Foreign Affairs ever saw the Wedemeyer report?

Mr. O'HARA. I do not know, I am sure. I wonder if the Committee on Foreign Affairs happened to look up the fuel-oil-investigation report by the Committee on Interstate and Foreign Commerce which spent many months last year and this year upon the fuel-oil problem. I wonder, if in connection with fuel oil and steel whether they know, if this bill goes through, that everything that the oil industry has planned for our own domestic oil and transportation of oil is knocked in the head, and at a time when our own citizens have been severely affected this last winter.

When the gentleman from Massachusetts is worrying about freezing to death next winter, I want to tell him that probably the people of Minnesota and North and South Dakota and a few other places will be freezing to death, too, but is any consideration given to

our own conditions? No. We are thinking about all the world and forgetting our own people and our own economy, and the desperate shortage of critical materials.

For something over 6 months I tried to get a farm tractor for a farmer up home who needed it very badly, and I finally got it. We are trying to get fuel oil up there for our tractors now, so the farmers can plow, and we cannot get 120 tank cars. What is going to happen when you take out of this economy of ours all of these things, all of the tractors, trucks, and the other things our own people need? Are we supposed to have a complete destruction of our own economy? Is that the theory upon which we operate as legislators of the United States?

Mr. REED of New York. Mr. Chairman, will the gentleman yield?

Mr. O'HARA. I yield to the gentleman from New York.

Mr. REED of New York. In a warehouse in Athens there is \$10,000,000 worth of tools shipped over there to UNRRRA. They are still there. They were not anything they could use, and they had no facilities to use them. That is one instance and there are many more. Under this bill that sort of thing will go on, and the taxpayers will pay the bill for things that cannot be used over there.

Mr. O'HARA. Then we will have OPA. OPA will tell you when and what you can have. We will have that in this country following this bill. That is as assured as the passage of this bill. The President spoke awhile ago about being opposed to those things which lead up to a police state. When you have OPA and you have the draft and you have UMT and you have the Marshall plan, where have we to go from there? What is there left?

Mr. REDDEN. Mr. Chairman, will the gentleman yield?

Mr. O'HARA. I yield to the gentleman from North Carolina.

Mr. REDDEN. An Associated Press article appearing in the papers recently stated that Poland was shipping to England 400,000 pounds of pork and a million dozen eggs. I just wonder how Poland could be so well off and all the rest of Europe in a desperate condition?

Mr. O'HARA. I do not question the statement the gentleman made.

We are supposed to hurry this bill through so that it will pertain to the election in Italy. Is it expected that we are to influence or buy elections all over Europe? The implications of such a program is amazing.

Mr. RAYBURN. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, I never desire to and I always seek not to give offense, but I have heard some very familiar talk here today. I heard it in 1938, in 1939, in 1940, and even in 1941. We were trying in an appropriation in the late 30's to build 3,500 trainer ships. Some of the men who have spoken here today said, "Why so many airplanes? Whom do you expect to fight with 3,500 airplanes?"

The following year an appropriation was up for 5,500 airplanes.



And those who voted against all of our preparations for war before Pearl Harbor asked that question again. They asked "Whom do you expect to fight? Why 5,500 planes? Why all these trainer planes?" One after another we heard such questions resisting everything that we were trying to do to prepare this country to defend itself. It is a remarkable thing that in the debate on this amendment, I have heard only one Member who has spoken in favor of it even indicate that he was going to vote for any part of this bill.

Mr. Chairman, I was impressed by the statement of the gentleman from Illinois [Mr. DIRKSEN] on yesterday. He said he made mistakes in the late thirties. I think you are making mistakes today. And with reference to all this rot that if you had a secret ballot here this bill would not get 50 votes, in my opinion, and I have watched the House of Representatives for a long, long time—in my humble opinion this bill would get more votes on a secret ballot than on an open ballot. England? You say that some of this money will go to England? Who held the line until we could get ready to defend ourselves? You thought 3,500 airplanes were too much? You thought that 5,500 airplanes were too much? If we had had 25,000 airplanes fully equipped with men to fly them and bombs to fight with, we probably would not have been attacked at Pearl Harbor. Germany and Italy would not have declared war upon us the very next day.

Strip this measure of its humanitarian features. Strip it of the defense feature which to me is the main thing. I am casting a vote today that I believe is in the defense of the United States of America and in defense of our civilization. Strip it of such things as the defense of our country and humanity. Get down to the economy of the thing—the dollars and cents. It is as important to the cotton farmers of the Fourth Congressional District of the State of Texas that western Europe be rehabilitated as it is for western Europe itself.

The CHAIRMAN. The time of the gentleman from Texas [Mr. RAYBURN] has expired.

Mr. SMITH of Kansas. Mr. Chairman, I move to strike out the last word, and rise in support of the amendment.

Mr. Chairman, I do not think I have my head in the sand, and I do not think my vision is obscured by any European fog. I came back to Congress to represent America and my district.

I have heard a lot of statements that this bill was written by Bevin in England; that it was written by the State Department. I have heard a lot of talk about the fact that we were all confused. But this committee is not confused. They tell you in plain English that anyone who reads can understand what the purpose of this bill is. I want to read it to you. You will find it on page 35 of the Committee on Foreign Affairs report:

The aim of the program is to restore Europe, not to save American interests from the impacts of peace.

I will read it again:

The aim of the program is to restore Europe, not to save American interests from the impacts of peace.

That is not obscure. You understand that. In other times and at other places this would be questionable language for an American to utter. That is the unconcealed purpose. It is for the interest of Europe, and not for the benefit of America.

I yield back the remainder of my time.

Mr. DORN. Mr. Chairman, I move to strike out the last word, and I ask unanimous consent to speak for five additional minutes.

Mr. VORYS. I object.

Mr. DORN. Mr. Chairman, I hope the gentleman will withdraw his objection.

Mr. VORYS. I object.

Mr. DORN. Mr. Chairman, I was told last week in general debate on this bill that I would have time to talk about it this week. I think some of the rest of us know something about foreign affairs. Some of us served all the way from the coast of France to Berlin. I only wish I had an opportunity to tell you members of this committee some of those observations.

I listened with interest to the distinguished former Speaker of this House, the gentleman from Texas [Mr. RAYBURN]. I also listened with a great deal of interest to the gentleman from Missouri [Mr. SHORT]. He made a wonderful presentation. I find that one trouble with this Congress is that so few of us have the courage to stand alone. I believe that World War I could have been prevented. I believe that World War II could have been prevented. This Marshall plan will not prevent world war III. I say that for this reason: Even the proponents of this bill admit that the bill is a military measure. Do you think for a moment that Theodore Roosevelt, George Patton, or Andrew Jackson would support such a diversionary, defensive, such a passive bill? They would have sent word straight to Moscow and asked Joe Stalin to meet them in Paris, or somewhere, and told him in no uncertain terms, "We will prevent you from moving another foot in Europe or anywhere else." This bill is sending your wife out to confer with the neighborhood bully and tell him to please go away.

Mr. Chairman, sometime, some day, somewhere, you are going to have to face the masters of the Kremlin on the field of battle or else in a conference right now and tell them in no uncertain terms.

If you place the national security of this country under the Marshall plan, or the Bevin plan, or whatever you want to call it, it is only stalling for time. Who benefits by this time gained? Does the United States benefit? I rather think it is Soviet Russia, with their undeveloped resources. They are gaining militarily every day. If you pass this plan, in 5 years or 10 years they will be the strongest nation in the world. Today your Nation is the strongest nation. So I say, let us have a show-down now and not throw away this \$17,000,000,000, which I personally believe, from my observation of Europe, Russia is in favor of.

Mr. SHORT. Mr. Chairman, will the gentleman yield?

Mr. DORN. I am delighted to yield to the distinguished gentleman from Missouri.

Mr. SHORT. Practically everyone admits that Russian could take all of Europe within a few weeks' time.

Mr. DORN. Yes; certainly.

Mr. SHORT. Why pour \$17,000,000,000 over there, building up a prize for them to get, and sharpening the knife to cut our own throat?

Mr. DORN. The gentleman is exactly right, to gobble up, just as they gobbled up \$300,000,000 of your money in Czechoslovakia.

Mr. Chairman, I talked to Gen. Ira C. Eaker last year, a very great general. He said that Russia could overrun Europe in a few weeks.

This Marshall plan will not stop them. The only thing that will stop them is for America to have the greatest air force in the world.

Mr. FULTON. Mr. Chairman, will the gentleman yield?

Mr. DORN. I yield.

Mr. FULTON. The gentleman has said that we should send somebody over to talk with Stalin. The gentleman referred to General Jackson and a few others. Would he send Harry Truman to talk with him?

Mr. DORN. I certainly would not as he met Stalin before at Potsdam and was in agreement with him. That is one of the reasons why I am voting against this bill, incompetent leadership. They have reversed themselves, and that includes the Secretary of State. They have reversed themselves on nearly every foreign policy they have promulgated.

Mr. SHORT. Mr. Chairman, will the gentleman yield?

Mr. DORN. I shall be delighted to.

Mr. SHORT. We adopted the Morgenthau plan. It was asinine, stupid, one that every person today repudiates. We walked uphill and we walked down again. We walked up the hill one day and walked down the next on Trieste, on the partitioning of Palestine, and on practically every other thing.

Mr. DORN. Practically every foreign policy they have started they later reversed their positions. And I would like to say this, you cannot create the peace of the world by a vindictive policy such as the Morgenthau plan. They are still destroying factories in Germany and in the same breath say that Germany is the key to European recovery. The leadership advocates this money to fight communism and the same leadership O. K.'s airplane engines for Russia. I wish they would tell us what their foreign policy really is.

The CHAIRMAN. The time of the gentleman from South Carolina has expired.

Mr. DORN. I still ask unanimous consent to proceed for three additional minutes.

Mr. VORYS. Mr. Chairman, I object.

Mr. DORN. Mr. Chairman, I move that the Committee do now rise, a preferential motion.



The CHAIRMAN. The question is on the motion that the Committee do now rise.

The question was taken; and on a division (demanded by Mr. DORN) there were—ayes 19, noes 173.

So the motion was rejected.

Mr. LODGE. Mr. Chairman, I move to strike out the last word.

Mr. Chairman—

Mr. HALLECK. Mr. Chairman, will the gentleman yield to permit me to make an announcement?

Mr. LODGE. I shall be delighted to.

Mr. HALLECK. Many Members have asked me about the possibility of another vote on the tax bill. I take this opportunity to advise the membership that until further notice I think they should hold themselves in readiness to vote on it this week.

Mr. LODGE. Mr. Chairman, I was extremely interested in the remarks of my friend the gentleman from South Carolina [Mr. DORN].

This, Mr. Chairman, is not a simple challenge, it is a complex challenge. We are involved in a subversive war now. This bill is an attempt to respond to one aspect of this challenge. The strategy that we have to resort to now cannot be confined to one measure. So I think it is something of an oversimplification to say that we should forget about this and go ahead wholly on the military tack. We must consider all these elements together. These several segments of our Nation's foreign policy must be advanced on a concurrent front.

Mr. Chairman, it has been suggested by the gentleman from California [Mr. PHILLIPS] that the only attempts to defend this bill have been on an altruistic basis. Curiously enough the attempt of the gentleman from Illinois to diminish the amount in the bill will result in its being nothing but a relief bill because it is that amount over and above the amount for relief, which will enable Europe to recover and take the load of relief off our backs. Accordingly, if we want to do this in the most expensive possible way we should adopt the Vursell amendment, but if we want to enable these countries to recover and rehabilitate themselves, we should adopt the full amount provided in this bill. Of course, the full amount is subject to a great many variables. There is no accurate way that any one can foresee the future. It is based on the balance of payments, it is based on dollar deficits and it is my hope that substantial savings can be effected by the Administrator. On the other hand, there may be a deficiency. The amount expended will depend on prices, it will depend on the extent to which foreign currencies are devalued, it will depend on other things. There are many imponderable, unpredictable factors which enter into this matter. However, there is no question about this fact: If we cut this amount it will be a signal to many people in the world that we were not really behind them. It would be far better for us to pass the full amount now. We should give the desirable psychological impetus at this critical time, especially to those people who are hard up against the gun right now

in Italy and who are attempting to withstand the onslaught of Communist tyranny between now and April 18. It is advisable, therefore, that we pass the full amount which, be it said, falls far short of the dollar needs of these people, and will provide at best an austerity diet. If we cut it more we are taking more of a gamble.

The thought has been advanced here that this is a terrible gamble. It is a gamble, of course, but life itself is a gamble. We are taking far more of a gamble if we do not do this. There is no security in that choice. Just consider what will happen if we do not do this. Unquestionably Italy will go under on April 18 if we do not do this. The campaign now on in Italy is being fought mainly around this program; it is focussed on this proposal. What will be the consequences of that? Do we believe for a moment that we can go safely on our way friendless and alone in a world which is subjugated and oppressed by Communist tyranny? Why do we believe that we are so blessed, so favored by the Lord that we are going to be allowed to enjoy our own prosperity undisturbed? Do we think that our particular civilization here is so sacred that all we have to do is to pull in our horns and attend to our own knitting and other people will leave us alone? I am sure that is not the meaning of America, I am sure that is not the challenge of America, I am sure that is not the objective that our forefathers had in mind when they met the great challenge of their day.

Mr. JAVITS. Mr. Chairman, will the gentleman yield?

Mr. LODGE. I yield to the gentleman from New York.

Mr. JAVITS. Is it not a fact that what we are doing here is only supporting recovery to the extent of 5 percent or less of the whole European economy, which is on a \$100,000,000,000 basis right now, that we are not by any means supporting the Europeans? There has been so much said about figures that I think they should be clear.

Mr. LODGE. I thank the gentleman.

The CHAIRMAN. The time of the gentleman from Connecticut has expired.

Mr. DORN. Mr. Chairman, I offer a preferential motion.

The Clerk read as follows:

Mr. DORN moves that the committee do now rise and report the bill S. 2202 to the House with the recommendation that the enacting clause be stricken from the bill.

Mr. JOHNSON of Oklahoma. Mr. Chairman, will the gentleman yield?

Mr. DORN. I yield to the gentleman from Oklahoma.

Mr. JOHNSON of Oklahoma. May I say to the gentleman from South Carolina that I am grateful, and I think the American people will be, that he has used this parliamentary device to get this time to show the Foreign Affairs Committee that the American people in reference to this bill want it thoroughly debated, that there are some Members of this House who might perchance know as much about it as the members of the Foreign Affairs Committee.

Mr. DORN. I thank the gentleman very much. In that connection I will say this, that there is no deadline on passage of the Air Force measures; there is no deadline on other measures and issues before this Congress, which are more important than this bill. You can pass this Marshall bill and you can still lose the national integrity and independence of this country.

I would like to say this: Far be it from me to take up the time of this House frivolously. I regret very much to have to resort to measures like this to get the floor, but I was promised time last week on this bill, and was not allowed to speak in general debate. I was given a few minutes and told to extend my remarks in the Record and that I could have time under the 5-minute rule. I regret to have to do this. I respect this House. I enjoy serving here. But, I do say this, that Europe's trouble is largely moral and spiritual. You cannot save Europe with relief and you cannot buy lasting love with money, and you cannot buy lasting friendship with money. You are trying to buy off the people of Europe to stand between you and the bully that some day you will have to meet some time somewhere.

Now in regard to the military aspects of this bill: You listened to the distinguished gentleman from Texas [Mr. RAYBURN], intimating that you again will have to send your boys overseas. Let me say this, that if you ever send your sons to Europe you will never build as large an army to invade Russia as Germany had on June 22, 1941. She invaded Russia with the largest army and the best equipped army that the world has ever known or will probably ever see again. Where did she get? She reached the gates of Moscow, Leningrad and Stalingrad, which is nowhere. She would have had to advance 2,000 miles further to get beyond the Urals. So when you talk about sending an army to Europe bigger than that, with all of the incidental transportation and equipment, it is too ridiculous to even think about.

Mr. JOHNSON of Oklahoma. Mr. Chairman, will the gentleman yield?

Mr. DORN. I yield to the gentleman from Oklahoma.

Mr. JOHNSON of Oklahoma. Let me ask the gentleman from South Carolina this, in response to the question discussed by the gentleman from Texas a while ago. If the President of the United States would present a program calling for \$6,400,000,000 for an air force, I do not think he would find the gentleman from Oklahoma or the gentleman from South Carolina opposing it as we are opposing this bill.

Mr. DORN. We would fight right here for that bill until it was passed, and I believe it would pass. You may remember that Napoleon invaded Russia, too, with the largest and best-equipped army the world had ever known, up to that time and had to retreat in the face of weather and expansive territory. Let us talk about military tactics and military strategy. Your men in Europe today, the 100,000 men, are tactically and strategically in an impossible situation if Russia



started to move on land with her great combat armies. So, I say the only sane argument to use with Russia is to tell her that we are not going to permit the world to be swallowed up by them. We could dispatch our airplanes to Le Bourget Field at Paris, to Munich and to Rome and evacuate them in a hurry if necessary, but you cannot evacuate troops overnight. But, an air force could bomb Russia from bases in western Europe, then retire to northern Africa or to England, and strike again. So, gentlemen of the committee, let us look at this thing from a scientific military and tactical standpoint. This bill will not stop communism. This bill will not stop Russia. And, I want this House to know that I am going on record here today as saying that and remember that when you do go into world war III. Yes; I will be enthusiastic again. I will probably volunteer, as I did before resigning from the South Carolina Senate. So did a lot of the boys from South Carolina in 1942. But, let me tell you this. You told us then, that is, the leaders of this country at that time, that the world would be a Utopia if we just got rid of Hitler, Mussolini, and Tojo. But, look at the world today. During the war in France, in Normandy, General Patton's lead tanks wired back saying that they only had 15 minutes of gasoline left and "shall we stand still or fall back?" George Patton said, "Don't do either; you go forward." With that remaining gas they broke through the last German echelons of defense, and the German Army fell back in retreat.

Mark my words, you have a few days left, a few months. If you do not take a stand now it will be too late. You cannot stand still and wait, you cannot fall back. You have only a short time left so let us go forward with an aggressive policy that Russia will understand. This Marshall plan gives Russia the precious time that she needs to get ready then she could take over all Europe, including these billions of dollars.

Mr. FULTON. Mr. Chairman, I rise in opposition to the preferential motion.

Mr. Chairman, I am against the preferential motion and the amendment as well. May I say to my good friend the gentleman from South Carolina [Mr. DORN] that as a member of the Foreign Affairs Committee I had asked for recognition in order to yield 5 minutes of my time to him, because I like to hear him speak. I think he has taken a fine position on having a strong air force so that we in America will be adequately protected.

I disagree with the gentleman on this bill because I feel that the rehabilitation program is necessary. I feel that we have to have the full amount of the bill because we cannot send a boy to do a man's job. We American people are risking only 3 percent of our total income as insurance in a measure short of war. The American Congress must distinguish between war measures and measures short of war. It is often confusing that war measures are both military and economic, and measures short of war are also military and economic. We are here trying to use economic means as far as Europe is concerned, to build Eu-

rope up, so that the countries of Europe may take their place with the democratic countries in the system of free nations of the world.

Poverty, disease, and underfed children cause people to turn to alternatives they would not otherwise use. We know these conditions cause totalitarian governments and communistic methods. So that if we build them up above this limit of starvation and above this limit they want to be democratic citizens of the world and we feel that they will again stand beside us.

The thing that worries me as a Member of the Congress is that we are running at the rate of a seven to nine billion dollar deficit in our foreign exchange balance per year. Unless the American people have goods coming back to replace that tremendous deficit, we are going to have a greater inflation than by passing this plan. We intend to spend only about \$6,000,000,000 on this plan, while we are cashing a blank check with nothing behind it for foreign countries at the possible rate of \$9,000,000,000 a year, and we are getting nothing back for it.

Mr. SADOWSKI. Mr. Chairman, will the gentleman yield?

Mr. FULTON. I yield to the gentleman from Michigan.

Mr. SADOWSKI. Is it not true that the only country that sort of balanced exports against imports last year was Russia? I looked over those figures just for my own satisfaction, and the only country that came anywhere near balancing by giving us something in return for the goods she took away from us was Russia. That has not been brought out on the floor up until now, but that is the truth.

Mr. FULTON. May I say to the gentleman that I am not particularly pleased about the balance of payments in respect to Russian trade because, as it turned out, the United States was very foolishly the largest buyer from Russia in the August fur market. We sent them industrial materials that add to their war potential and took in return furs for garments. If that is a fair balance of Russian trade, I think somebody in the administration should have his head examined.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. FULTON. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. I listened to the remarks of my friend from South Carolina. He says he would call a meeting and tell Stalin where he got off. We would have to have something to show if Stalin told us where he did not get off. As a matter of fact, the passage of this bill is very important in that connection. It shows that America intends to use its power affirmatively. It seems to me that the passage of this bill would be consistent with the reasoning of my friend from South Carolina, rather than defeating the bill and then having a conference in our present predicament, because if Stalin refused to cooperate we would have nothing to back up our position.

Mr. FULTON. I agree with the gentleman from South Carolina that we

should also have the air force, so that if he did disagree we would be protected.

Mr. SMATHERS. Mr. Chairman, will the gentleman yield?

Mr. FULTON. I yield to the gentleman from Florida.

Mr. SMATHERS. The gentleman of course recognizes that Eisenhower, Marshall, and "Tooe" Spaatz are great militarists.

Mr. FULTON. Correct.

Mr. SMATHERS. They are in favor of the Marshall plan not only for the reason that it has an economic benefit but because it has some military benefit.

Mr. FULTON. That is an excellent point, that you have both the economic and the military benefits, because building up the economic potential also strengthens you militarily.

Mr. DORN. Mr. Chairman, will the gentleman yield?

Mr. FULTON. I yield to the gentleman from South Carolina.

Mr. DORN. Did building up the economic potential of Czechoslovakia help stop Russia? They have got every bit of it now. That applies to Tito, too.

Mr. FULTON. I was in Czechoslovakia 4 or 5 months ago, and I have never seen a finer people in the world. The country is much smaller than Russia and the analogy is not appropriate to a program of this size.

The CHAIRMAN. The question is on the preferential motion offered by the gentleman from South Carolina.

Mr. DORN. Mr. Chairman, I ask unanimous consent to withdraw my motion.

The CHAIRMAN. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. VORYS. Mr. Chairman, I ask unanimous consent that debate on this amendment and all amendments thereto close in 20 minutes, the last 5 minutes to be reserved to the Committee.

Mr. CHURCH. Mr. Chairman, I object.

Mr. GAVIN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I listened with a great deal of interest to our former Speaker, the distinguished gentleman from Texas [Mr. RAYBURN], whom we greatly admire and respect. He was recalling those days back in 1935 and 1936. I too recall those days very vividly because at that time the Congress was controlled by the Democratic Party, and they had a very large majority so that they could put across any legislation that they wanted regardless of what it was. We recall also hearing "rubber-stamp" Congress. So it is ridiculous to charge anybody on my side of the aisle with the responsibility for the events of those days. I also recall those days when we were converting young hogs into fertilizer and distributing the fertilizer to the farmers to increase their yield and production, which was then plowed under. I remind my very good and able friend the gentleman from Texas [Mr. RAYBURN] that in those days with a war around the corner we had the WPA, the PWA, and planned economy, and planned scarcities, and we had various economic



movements. We had the flagpole sitters, the goldfish swallowers, and the ballet dancers. So I cannot feel that my side of the House is responsible for anything that happened then. The other side of the aisle was in complete charge. The difficulty today with this ERP legislation is that we have lost confidence in the administration. We do not have the confidence that the people who are going to be entrusted with this program will do the kind of job that we want done to get desired results. Why do we feel the way we do? Well, when we were in Italy last fall, I was down at Nettuno where I saw the graves of 7,499 American dead. Many of them were boys from my part of the country. As I looked over that great sea of crosses, I thought of those kids fighting their way in at the Anzio beachhead at a terrific cost and tremendous price of American lives. I also observed while there that communism was rampant everywhere in Italy. Then somebody decided evidently, to appease, that we should pull our military out of Italy and we did last December. Later we decided to put in two or three hundred million dollars into Italy regardless of the conditions and regardless of the fact that we had settled nothing. The country was rampant with communism. There was no stability anywhere in Italy then or now. So what happened, we released the foothold which we gained at such terrific cost, and at the same time we were sending our troops into Greece and leaving our other flank open. You say why do we take the position we do? It is because of the bungling of the administration in handling these problems. Certainly it is time for good, sound, clear thinking. Certainly we ought to know who is going to handle this program. Certainly it is time to clean out this element who are responsible for the conditions and the chaos that we now find ourselves in. What we should have is clear, sound thinking, practical, realistic Americans, and not appeasers or world thinkers or do-gooders.

We should have sound, loyal, patriotic, dependable Americans who will look after our interests, keen minds to decide policies and programs, if we ever expect to return the world back to stability and peace. So the whole problem has us much confused. We are sympathetic to the whole program. We want to do something to help, but, nevertheless, we do not have the confidence that this legislation will assure us the kind of administration that will give us the results that we anticipate and hope for. Therefore, Mr. Chairman, we are concerned, and rightfully so.

Mr. REED of New York. Mr. Chairman, will the gentleman yield?

Mr. GAVIN. I yield.

Mr. REED of New York. The former speaker, the gentleman from Texas [Mr. RAYBURN] referred to conditions in 1938 and 1939, but of course there was an election coming, and when somebody—and I happened to be one of them, and there were others—suggested a two-ocean Navy, what did the President of the United States say? "Why, that is just sheer foolishness." But 6 months later

it was necessary to start a two-ocean Navy. At that time we were trying to stop arming Japan, but would they stop it? No.

The CHAIRMAN. The time of the gentleman from Pennsylvania [Mr. GAVIN] has expired.

Mr. CHURCH. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, this bill is a Truman world WPA plan, which will further subsidize socialism in England, communism and other isms other than Americanism.

We are now discussing the Vursell amendment, to reduce the amount by \$1,300,000,000. I hope the committee will accept the amendment and thereby reduce the ERP to which thousands of Federal pay-rollers hope to shift from other New Deal bureaus that are being reduced.

Mr. Chairman, I have these pay-rollers in my district waiting anxiously. I know them. They are waiting to shift to ERP. They are hoping that this measure will pass.

Mr. Chairman, you are tying the hands of our Appropriations Committee to reduce ruinous and costly bureaucracy.

Mr. Chairman, the bill before us, which authorizes an appropriation of \$6,205,000,000 for the so-called Foreign Assistance Program, presents one of the most far-reaching and one of the most momentous questions to be considered by this Congress. During my many years service in this body, which includes the hectic days of the New Deal, the anxious days of the defense program, and the trying days of the war, I do not believe any issue has given me greater concern than that presented by this pending bill.

I have devoted many weeks of careful study and thought to this bill. There are volumes and volumes of official documents, congressional, and departmental, dealing with various phases of the program. There is the Krug report, the Harriman report, the report of the Council of Economic Advisers. There are the various reports issued by the Committee on Foreign Affairs and those issued by the Select Committee on Foreign Aid, under the able gentleman from Massachusetts [Mr. HERTER], as well as the extensive hearings held by the Senate Committee on Foreign Relations and our own Committee on Foreign Affairs, not to mention the informative debate covering many days both in the other body and here in the House.

As the committee itself stated in its report accompanying this bill:

The sheer bulk of this material reached proportions probably never before achieved in a congressional study of pending legislation and its brief analysis into simple components has presented great difficulties.

Believing, as I do, that the destiny of our beloved country and perhaps the world may be determined by the action taken on this legislation, I have given much time to a study of all this material, even to the neglect of other duties, in an earnest and sincere desire to reach a sound decision. I have reluctantly concluded that I cannot in good conscience vote for this bill unless the amount is reduced, whatever may be the

views of my party leaders and whatever may be the political consequences to myself for the position I thus take. While I do not vainly hope that by what I say here today will persuade someone to my view, I believe I owe it to myself and to the fine people I am privileged to represent to set forth briefly the reasons for my position.

Surely we all recognize that this proposed expenditure of a little over \$6,000,000,000 as provided in the pending bill is merely the beginning of what is intended to be a long-range program involving many billions of dollars. It has been said that the total expenditures envisaged by the Marshall plan are around \$17,000,000,000, constituting a downward revision from the \$22,440,000,000 requested by 16 nations that participated in the Paris Conference. A total authorization of \$17,000,000,000 for the program for the period April 1, 1948, to June 30, 1952, was the amount requested by the President in his special messages to Congress in December of last year.

But, in truth, no one really knows exactly what this program, once undertaken, will ultimately cost. No one knows where and when it will end, nor what the results will be. I venture the ominous prediction that this program, if carried through to its logical conclusion, will cost the American people considerably more than presently contemplated and will involve more than the 4-year period now proposed. As is invariably the case in such spending programs, there will be the unanticipated needs and new demands, and in their support there will be offered the usual and somewhat compelling argument that, having invested so much money in the program, it would be folly not to continue further.

Take, for example, the loan we made to Great Britain of \$3,750,000,000 to assist her in postwar reconstruction. In the first 12 months she used up \$2,450,000,000 of that loan, and we shortly heard the appeal for the pressing need for additional financial assistance. It was understood, however, that when the loan was made that it would last for a period of 5 years.

There is no doubt but that the American taxpayers were indirectly underwriting the socialistic schemes of the administration in power in Great Britain. Instead of pursuing policies that would lead to increased production, the British Government pursued policies which represented an additional burden on their national economy and, by their very nature, retarded economic recovery.

I do not intend here to enter into a discussion of the British loan and British domestic policies. My point is that when we made the loan of almost \$4,000,000,000 it was expected that it would be used in a 5-year period and would serve to put her back on the road to economic recovery and stability. But, as it has developed, in a little over a year the loan was exhausted, and now there comes these requests for additional assistance and now there comes the forceful arguments about the need to keep Britain strong in our own self-interest.

To be sure, it is proposed by the pending bill that each year the Congress can



take a look at the program as it makes the annual appropriations, and the authorization provided by this bill is intended only for the first year. To be sure, section 122 of title 1 of the bill provides for a termination of the European assistance program on June 30, 1952.

That is the clear and unmistakable language of the bill. But we have had experience with such programs as this, if not internationally at least domestically. Let us be realistic. Such programs of spending always create vested interests, and in time there develops supplements and additions to it. As the expiration date approaches there develops a campaign to extend it for another year and then another.

In other words, Mr. Chairman, while we are today talking about a \$17,000,000,000 program for a 4-year period, if we have learned the lessons of experience, we may well be talking about a program involving many billions more for many years to come. And we are asking the American people to make the sacrifices involved in such a program with absolutely no guarantee of its success.

In considering the vastness of this proposed program, for which the American people will be called upon to pay both in taxes and in high prices of things in short supply, I must take into account the aid which the American people have already extended to other countries and the burden it has represented. During the war itself we extended \$50,000,000,000 of supplies to our friends and allies. And since the cessation of hostilities we have extended foreign assistance, directly and indirectly, to around \$20,000,000,000.

And where are we? What has been accomplished? Indeed, the countries who have received this aid appear to be in worse condition than when the expenditures began. How long can this go on? Our people now carry a public debt the interest charges on which are \$5,250,000,000 in the next fiscal year. Our people now pay the highest income taxes in history, and we have the largest peacetime budget in history, independent of the foreign-aid item.

The major argument made in behalf of this program is that it is necessary to stop the spread of communism and to prevent another war. If I thought for a single moment that this bill would serve that end I would certainly cast my vote for it. But, in this, as in practically everything else that has been undertaken in the field of foreign relations, we are being theoretical rather than practical.

Russia does not fear our economic aid to other countries. Her propaganda machine has been working day and night against the program. It has furnished her with the opportunity to attack us for imperialistic designs, which all of us know is far from the truth. No matter what we did, even if we did nothing, we can expect such propaganda attacks against the United States. Whatever we did, whatever policy we pursued, Russia would endeavor to attack it to try to discredit

the United States in the eyes of other people. That is part of her strategy.

All that Russia fears is military might. And it seems to me that instead of wasting our resources on some such program as this, which may amount to no more than a world WPA project, the expenditures could be put to much better use in strengthening our own national defense. We have recently received recommendations for an increase in the appropriations for military purposes, in addition to the \$11,000,000,000 proposed in the original budget. And the Joint Aviation Policy Board, established by this Congress, pointed out in its report a number of weeks ago the existing inadequacies in our air power.

It seems to me, Mr. Chairman, that we might well heed the words of former Secretary of State James F. Byrnes, in an address he delivered in November of last year at Winston-Salem, N. C. He said:

America must be strong if Americans are to remain free. If a choice ever has to be made between providing long-term economic aid to Europe and providing funds for the national defense, there must be no question that our duty is to provide our armed services. Freedom-loving people throughout the world are just as much interested as are the American people in our maintaining military strength.

And that, Mr. Chairman, is precisely the choice we have to make. We cannot afford to enter upon such a program as this and, at the same time, meet our defense requirements. We cannot do both and remain solvent. If there is anything that would further the cause of communism in the world, it would be for the United States to become economically weak.

I repeat what I have contended many times, both here on the floor and in the public forums, that national defense also involves a strong, productive economy. The last war is conclusive proof of the fact that the power to produce goods to support an adequate Military Establishment is as important as the Military Establishment itself. The size of the standing Army or the Air Force or the number of available ships is not the sole measure of one's military power. A nation's productive facilities and productive power is an important factor.

By entering upon fantastic, experimental programs such as envisaged by this legislation we are draining off much of our economic strength, and we are straining our whole economic structure. We are making ourselves weaker, with absolutely no guarantee, not even a hope as I see it, that our aid will really serve to make our allies stronger.

None of the countries in Europe are strong enough to resist direct aggression from Russia. It seems to be generally admitted that if Russia should decide upon a course of military aggression, in lieu of the indirect methods of taking over control of countries she presently employs, that none of the countries has the military and economic strength to prevent being overrun. And even assuming that our aid will enable them to

become stronger, it will certainly be a matter of several years before they will be able to restore their productive power and attain economic stability.

Indeed, if the objective of the Russian Government is to bring the world under her control, as evidently it is, it would be in keeping with that policy if Russia were to wait until the United States has sent extensive supplies to a country and then proceed to take the country. She would thus obtain the benefit of the goods and machinery from the United States in furthering her objective.

It is an unfortunate fact, Mr. Chairman, that the international situation which confronts us today is the direct result of failures and incompetence and vacillations on the part of those who have been charged with the conduct of our foreign affairs in the executive branch of the Government. We are paying a high price today for these follies of yesterday. When we were extending lease-lend aid and when we had the finest Army, Navy and Air Force in the world, this great and powerful country was in a position to insist upon the adoption of principles that would make for a lasting peace. Instead, secret deals were made, probably because they were expedient at the moment, of which the people knew nothing, that are today producing this period of great anxiety, confusion and uncertainty.

The philosophy of the New Deal has always been that whenever any problem presents itself the solution is an expenditure of money for experimental purposes. And that is exactly what is proposed here. Even the proponents of this program admit that it is an experiment. We know that it will involve many billions of dollars, that the people will have to pay for it in taxes and that they will have to pay for it in the prices they pay for goods in short supply because of shipments abroad. I cannot give my support to such a program.

It seems to me, Mr. Chairman, that the best way to combat communism is to make certain that we have an adequate national defense, that we have the finest and most efficient military machine in the world, in the air, on land and at sea, and that we have a sound national economy to support that machine. That is the first requisite. And that is the way to peace, security, and prosperity which, I pray, the American people will ever enjoy.

Mr. KERSTEN of Wisconsin. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, as a freshman Member and as one from the Middle Western State of Wisconsin, it might be assumed that I would tend to be as much isolationist as anyone, and certainly as a freshman Member, one whose voice is not as persuasive as the majority of the members of the committee; but I should like to give you my reasons for believing this amendment should be defeated.

I agree with the gentleman from South Carolina that we need a strong Air Force, a strong military arm, but I believe that that in and of itself would not



stop the thing that is happening in this world and has been happening since the end of the war. A strong military arm alone right now, possessed by the United States, would not necessarily put us in a position to tell Joe Stalin that the Italian elections, for example, should go a certain way. The Communists do not work in the open, they work by penetration, they work upon the stomachs of the people, they use soap boxes, deceit, and infiltration and other means which the Army cannot reach.

In the program which we have set before us we must implement not merely the military arm but we must implement the economic arm and also the spiritual arm.

I contend that those Members who here today argue in favor of cutting down the program to the point where it will be ineffective, are persuaded primarily by, and are obsessed of the idea that we can lock ourselves up and pay no attention to world affairs. They are the members who within a very short period of time would bring down upon this country expenditures and appropriations far in excess of what we are considering here. They are the apostles of huge appropriations for the future. They are not the advocates of economy, they are the men who fail to see that we would then have to adopt a policy which would be far more expensive than what we contemplate now.

Suppose we did what they want, suppose we adopt a course of historical fatalism and permit Russia to take over the rest of Europe, northern Africa, China, and other portions of the world. Suppose they should reach that position, following the tactics she has already followed—and she moves very cleverly—what kind of appropriations would these gentlemen who now oppose this, be willing to vote for—if Russia stood astride the world and we were then isolated from the world? Mr. Chairman, the kind of appropriations we would then be faced with would be 5 or 10 times what we are now faced with.

Does the gentleman believe that Russia will not in a few years have developed the atomic bomb? Do these gentlemen believe they will not have developed biological warfare? When they shall have done these things—and they are now in the process of trying to do them—what kind of appropriations would these gentlemen support, when Mr. Stalin, or Mr. Molotoff, or Mr. Zhdanov at the time of a future American election said: "We direct that Henry Wallace be the President of the United States" and be able to implement their desire with sufficient force that even the threat of using it would effect Soviet policy for the United States. We would see repeated here what we have seen in Europe, only worse. Oh, yes; we would then have to have appropriations to move our cities underground. These gentlemen are the apostles of expenditures far beyond the wildest dreams of men now living, many times greater than this appropriation.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. VORYS. Mr. Chairman, I ask unanimous consent that all debate on the pending amendment and all amendments thereto close in 15 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Oklahoma [Mr. MONRONEY].

Mr. MONRONEY. Mr. Chairman, if there ever was a false economy move, this effort to cut the authorization for this year below the necessary level for success of the entire plan, is certainly it.

I really think that the figure of \$5,300,000,000 is even short of the amount necessary to do the job. If you want to insure failure of this plan—to lose the goal we are seeking in helping to contribute to world peace, and to strengthen western European democracies, then vote for the Vursell amendment and defeat the good effects that can come from enactment of this plan.

No one knows exactly what this plan is going to cost, what is going to be necessary to pull Europe out even on the mere basis of existence. It is only if there is enough money in the fund to rehabilitate industry, to furnish the raw materials so they can become self-respecting and self-sustaining nations, can the idea of the Marshall plan work.

By adopting this drastic 33½-percent cut, this reduction, will force the Marshall plan to become only an international WPA because there would not be money enough left to do any general rehabilitation work and only a mere dole of sustaining food can be extended.

Europe needs the tools to do the job of becoming self sustaining, and the Vursell amendment would take the money for tools out of the plan.

The CHAIRMAN. The Chair recognizes the gentleman from Kansas [Mr. REES].

Mr. REES. Mr. Chairman, there are some of the items in this bill that can be reduced without any injury to the legislation. For instance, it is estimated that \$900,000,000 under this program will be spent for tobacco alone. Two hundred and sixty-five million dollars has already been earmarked to be spent for tobacco during the next year. As I have said before, why not spend the \$165,000,000 for food. It will do a whole lot more good to help save the lives of starving people rather than help take care of a surplus of tobacco in this country. Why should we send \$7,000,000 worth of tobacco to Denmark in the next year; \$23,000,000 to the Netherlands; \$10,000,000 worth to France. We are even sending \$2,000,000 worth to Ireland and \$160,000,000 in tobacco to the British Isles. All in the name of European recovery.

I should call your attention to another item. Two hundred and eighteen million dollars is to be spent for tractors to farm lands of the European countries under this bill. In the first place, the European farmers are not accustomed

to using tractors. The whole thing is impractical because the farms average only from 7 to 20 acres. Why should a farmer who does not know how to run it, have a tractor to operate a farm of 10 on 20 acres which any farmer knows is impractical. Instead of doing this you can use 10 or 15 percent of these funds and buy horses and mules and small implements. In other words, in place of spending \$218,000,000, spend \$20,000,000 for horses, mules and ordinary farm implements and save the other \$200,000,000 for our own farmers.

There is a surplus of horses and mules in this country. They can be bought very cheap. Implements to be used with them are not expensive. As a matter of fact farmers in European countries have quite a supply of implements on hand. As far as feed for these horses is concerned, they will need little grain because horses in those countries live on forage which is in supply. If you will spend \$20,000,000 in this way you can take care of more than a hundred thousand farm units, which is just as much as you will do by spending ten times that amount for tractors. And do not forget, these tractors will use a great supply of gas which is scarce and very expensive in Europe.

Farm tractors are scarce in this country now. Our farmers need them very badly. Why not be realistic about this whole matter. Here is something else. Just as soon as this bill is passed the Department of Commerce is going to issue a statement that commitments under this proposal will take 25 percent of the output of farm tractors and farm machinery during the next year.

The Administrator of this legislation does not have to follow that commitment. I hope he will use a little common sense and be realistic in dealing with this problem.

This legislation calls for \$450,000,000 worth of nitrogen, potash, and phosphate for fertilizer. I am not going to object to some fair division of fertilizer. I would like to call attention to the fact that a considerable amount of nitrogen is going to countries abroad right now. I think you know that with very little processing it can be converted into explosives. In view of conditions it will be well to give this matter particular attention.

Having said what I have with regard to this matter, I am not unmindful that this program has the endorsement of the strong farm organizations of this country.

I hope these farm organizations will use their influence in seeing that their interests are protected by urging the things to which I have directed the attention of the membership of this House.

Mr. Chairman, the expense of this program can be reduced by several million dollars without injury to anyone. Of course, we want European recovery. In our attempt to render assistance to others we must be extremely careful that we do not weaken America in our attempt to reach this objective.

Mr. Chairman, because this program has the endorsement of many of the



great leaders of this country, who have given it a great deal of study and consideration, and because it has the approval of so many of our people who feel it may help prevent another world crisis, and for the reason it carries the hope it may help bring about a better understanding among the nations of the world and prevent the suffering of so many people, I shall support this legislation. I do it with the further hope that it may be administered wisely and that those in charge of its administration will spend the funds on the basis of real need, and with the realization that the funds expended come from the taxpayers of this great country of ours. I regret that I cannot be more enthusiastic with respect to this legislation. Again, I hope the adoption of this legislation will do the things its sponsors believe it will accomplish.

Mr. HOFFMAN. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan.

There was no objection.

#### OUR FOREIGN POLICY AND THE MARSHALL PLAN

Mr. HOFFMAN. Mr. Chairman, as a boy I was allergic to poison ivy or poison oak or, as the State Department would put it, Toxicodendron radicans. Frequently, after a hunting or fishing trip, I had a very unpleasant time caring for an itching, painful skin. Some folks told me if, after being exposed to poison ivy, I would wash thoroughly and carefully with soft soap, with yellow soap, with tar soap, or rub myself with alcohol, I could expose myself to poison ivy, but it would not take. Those remedies and several others were tried, but I learned that if I did not want to be poisoned, I had better stay away from where the poison oak grew. The lesson finally was learned through repeated, painful experiences. Now I watch my step and avoid contact with the dangerous vine.

The Balkans, sometimes called the cockpit of Europe, and other European nations are, if it may be put that way, the natural habitat of war. For reasons which it is unnecessary to give, the nations of Europe are ever at war.

Our people do not like war. This is especially true of those who have to fight the wars and pay the cost.

There are, of course, a few with ideas of grandeur who like to strut the world's stage; others who are not averse to taking a profit even though it comes from the suffering and the sacrifice of lives of their fellowmen. There are others, kindly, sincere, generous folk unaware of the facts of life, who follow a program which leads to war. But the mothers and the wives—yes, and an overwhelming majority of the young men who have no voice in the question as to whether they shall fight, suffer, and die—are opposed to war.

As a people we know, too, that war seldom settles anything. History teaches that the issue which was supposed to be

settled by war lives on and, the disputants being willing, breeds another war. The world knows, too, that hunger, sickness, epidemics, famine, sometimes starvation, always follow war—that it takes years for the nations which engage in war to be rehabilitated, and that to lessen the havoc wrought by war, hard work, thrift, and courage are necessary. This bill asks the American people to assume the burden which should be borne by the nations responsible for the war.

Nevertheless, knowing all these things and disregarding the sound advice of the Father of our Country to avoid entanglement in foreign affairs, we have during the last few years made it our business to, in one way or another, get into two world wars and to set the stage for a third one.

This Nation, if it would, could follow the sane, sensible course I followed as a boy, when I avoided pain and suffering as well as inconvenience by staying away from the poisonous vine, by watching my step, by looking where I was going, and attending strictly to my own business of hunting and fishing. If we would, as a Nation try to avoid settling the quarrels of other nations, we might avoid war. If we send our dollars and our armed forces into areas where there is war, we will be in it.

#### QUACK REMEDIES

In recent years we have had a foreign policy which is no policy at all, for a policy implies a continuity of consistent action. The present and the preceding administrations have written many prescriptions.

Among them are the following:

We had the neutrality declarations of 1914 and 1917. That was to keep us out of war. Then we had Wilson's 14 points. That was to keep us out of war. Then there was a covenant of the League of Nations. That was to keep us out of war. Then the Washington treaties of disarmament. That was to keep us out of war. The Kellogg pact to outlaw war. That was to keep us out of war. The Dawes plan and the Young plan to keep us out of war. The Stimson doctrine to prevent aggression. That was to keep us out of war. The London Conference. That was to keep us out of war. The Roosevelt Neutrality Act. That was to keep us out of war. The four freedoms. That was to keep us out of war. Hull's 17 points. That was to keep us out of war. Then came the Atlantic Charter. That was to keep us out of war. Then the Yalta declaration, to keep us out of war. Then there was lend-lease to keep us out of war. Then UNRRA to keep us out of war. And the Potsdam agreement to keep us out of war. And Bretton Woods to keep us out of war. And Dumbarton Oaks to keep us out of war. And Bank for International Settlement to keep us out of war. And Export-Import Bank to keep us out of war. And the United Nations to keep us out of war.

United Nations was given us with a great fanfare of publicity. It was the

front page of the papers for weeks, and finally we took it. It was given us with the assurance that it would police the world—prevent war—need I say "Palestine." UN appears to be dead.

Recently, the Congress appropriated \$65,000,000 to build a palace here in America on a bit of what might now be termed—international soil, for the outfit which will administer UN and which we, at great cost, will support—with a few dollars thrown in by other nations. United Nations was hailed as a great adventure. It has been a joy ride for a few, but there has been no profit, either material or spiritual, out of it for our people. It is doubtful, too, whether we have learned anything from this great adventure.

Lend-lease and the other money giving measures were characterized as great speculations. If there was anything speculative about them—and that I doubt—we have on every occasion been on the loser's side of the deal.

#### A NEW DOCTOR, A NEW PRESCRIPTION

Our past advisers and their prescriptions, having failed to keep us out of war, having failed to establish freedom anywhere in the world, having failed to give us peace, prosperity, or happiness, it would seem that another physician and new remedies would be welcome. As proof that the New Deal Administration—I will not call it Democratic, for that it has not been—is an utter failure, permit me to quote the former Speaker of the House, the gentleman from Texas [Mr. RAYBURN], now the minority leader, who, on March 24, last, just last Wednesday, from the floor of the House said: "I am more distressed about the world situation today than I was in 1938 and 1939." A frank confession that the New Deal policies, which we have followed since the beginning of the Roosevelt reign, have brought us nothing worth while—on the contrary, have been a positive destructive force—have left us in worse condition than when the first emergency arose.

Notwithstanding the complete worthlessness, the excessive cost, the suffering and the burden laid upon the taxpayer by our present bipartisan foreign policy, we seem determined to insist upon swallowing another dose.

How many are aware that from July 1, 1945, to June 30, 1947, we gave aid to foreign nations amounting to \$24,099,211,087; that the bill, now pending before the House and which today we will vote upon, is the opening wedge for a program under which we will give to foreign nations, before it is finished, at least \$17,000,000,000, and no one knows how much more—who will predict for how long the program is to run?

Just to show the taxpayers of the Fourth Congressional District of Michigan what it will cost each individual if each paid his equitable share—which, of course, he will not—let me read the following figures prepared by the Legislative Reference Service of the Library of Congress:



Share in cost of foreign-aid commitments and Marshall-plan proposals—Total aid apportioned on Nation-wide per capita basis

	Population, 1940	Share of foreign aid commitments fiscal 1946, 1947 population times \$183	Share of foreign aid proposed 1948-52 population times \$129	Total share in commitments and proposed aid	Taxes, 1945, at county, township, and village levels
Allegan County.....	41,839	\$7,656,537	\$5,397,231	\$13,053,768	\$678,779
Allegan City.....	4,526	828,258	583,854	1,412,112	155,084
Barry County.....	22,613	4,138,179	2,917,077	7,055,256	399,836
Hastings City.....	5,175	947,025	667,575	1,614,600	162,923
Berrien County.....	89,117	16,308,411	11,496,093	27,804,504	2,436,270
St. Joseph City.....	8,963	1,640,229	1,156,227	2,796,456	472,809
Cass County.....	21,910	4,069,530	2,826,390	6,895,920	376,129
Cassopolis City.....	1,488	272,304	191,952	464,256	14,772
St. Joseph County.....	31,749	5,810,067	4,095,621	9,905,688	647,757
Centerville City.....	812	148,596	104,748	253,344	7,512
Van Buren County.....	35,111	6,425,313	4,529,319	10,954,632	658,352
Paw Paw City.....	1,910	349,530	246,390	595,920	11,982

Sources: County populations from 1940 Census, Population, vol. 1; population of county seats from Rand-McNally Atlas; tax data from Michigan State Tax Commission, twenty-fourth report, 1945-46.

The aid which we have extended to foreign nations has laid upon each citizen of the United States a tax burden of \$183.03. But some of us are going to pay more than that. On an evening when you have leisure time, will you sit down with pencil and pad, figure the total number of people who live in your block? From that total, exclude first the children, the sick, then those who cannot or will not pay \$183.03. In short, determine in your own way and to your own satisfaction the number of people in your block in your home town, upon whom this tax burden will fall, and I think you will discover that each will pay from two to three times \$183.03.

Then, if your pencil has not worn down, instead of amusing yourself with a crossword puzzle, figure what the proposed Marshall plan, assuming that it will cost no more than the \$17,000,000,000, will cost you. If each citizen of the United States pays his equal share, your share would be \$129. You know, however, that it will be much more than that. But let us assume, for a moment, that each child, patient in the hospital, inmate of any institution, paid his share. Add your \$183.03 and your \$129, and you will learn that this plan of aiding others has or will cost each of us \$312.03.

Nor is that all the cost.

#### OUR RESOURCES ARE LIMITED

Even the most optimistic supporter of our present foreign policy will confess that no accurate estimate of our national resources, of our ability to pay and do, is at hand. Yet we give billions without a thought as to our ability to give.

A few things we do know. Even the dumbest recognizes the fact that we cannot use the same thing at the same time in two different places.

The housewife knows that if we send food, and money to buy food, abroad, she will find that her present difficulty in feeding the husband who must work and the children who must be fed, if they are to retain their health and grow, has been drastically intensified. Every time the housewife goes to buy an article of clothing, she will find that the price is going up. She will learn that there is difficulty in obtaining what she needs.

That is one thing the Marshall plan will give the housewife.

The farmer who is asked to grow food for Europe will learn that the cost of his farm machinery and the labor cost are skyrocketing. He will learn, through bitter experience, that as his farm machinery wears out, he will have more and more trouble in replacing it. He will learn, too, that the price is almost doubled. That, the farmer will get out of the Marshall plan.

The veteran who finds, as time goes on, that his needs have increased, that because of the increased living costs, the allowance which, to him in the beginning, may have seemed adequate or generous, is now insufficient. But when he asks for an increase he will learn that the money which might have been paid to him has been sent to other nations who have used it to purchase and hike the price of the things he needs. He will learn that the things he needs are being given to some of those, and the dependents of those, who, in days gone by, confronted him on the battlefield. Less and less in purchasing power the Marshall plan will give to the veterans.

#### FEDERAL WORKERS

Yes, wage earners throughout the country, confronted by the increased cost in various items, will learn—and it should not be a surprise to them—that they will pay not only through the tax collector, but every time they go to a store or market in higher prices for the gifts which are being made to other governments who, in turn, sell at a profit to the very people we are supposed to be aiding.

And so the story might run on indefinitely, but the foregoing is sufficient to show what will happen, what we will get out of the Marshall plan.

Do we get peace, security, out of this bill and do these other plans, which have been made for us, give us peace and security? Oh, no. During the debate on this bill not one proponent of the bill has given it unquestioned support.

It has been described as a calculated risk, as an experiment, as something we must have. It is a remedy which may, it is said, give us peace.

The proponents of this plan are the same individuals, belong to the same groups, which heretofore have written prescriptions. We have taken their prescriptions, and none has kept us out of war. None has given or will give peace. Now they tell us that, in addition to this gift of anywhere from \$17,000,000,000 to \$20,000,000,000, we should also accept at their hands compulsory universal military training, a renewal of the conscription law which will take the men of this land to fight again on foreign soil.

Yes; those things they advocate, knowing, as they must that every nation which has tried them has been the loser in every war where they have met our so-called untrained soldiers. They still urge these upon us.

There is no necessity for war. Russia is not now able to carry on a war, and she will not for years to come be capable of successfully making war if we will end our policy of building her up. We aided Russia in destroying Hitler, and in the process we created—so we are told—an enemy as strong or stronger than was Hitler.

#### CONSTRUCTIVE POLICY

And so you ask what policy do I advocate?

As the first constructive step, I would get rid of, lock, stock, and barrel, the present administration and those whose advice we have followed to our sorrow. And with them the Reds, the Pinks—those who seek to circumvent the laws and the Constitution.

Second, I would continue to give aid to the unfortunate in other lands, who need food, clothing, and shelter, but I would give it direct to the people through American administrators and, in return, I would exact work from those receiving aid directed toward rehabilitating themselves and their nation. Under no circumstances would the giving of this aid be permitted to impair our own welfare, and under no circumstances would I give aid to those who insist upon recreating a military machine.

Third, and perhaps most important of all, I would build up here, through every scientific method, our national armament. If there is anything to the talk which we were getting from our Armed Services a year or 2 ago as to the efficacy of the atomic bomb, then we have in our hands and under our control the secret which will enable us to hold all nations at arm's length. Instead of giving money to other nations to arm themselves and to carry on policies of aggrandizement, I would limit aid to that which can be used only to assist them economically.

Then, finally, I would quit trying by force, to compel other people and other nations to adopt our ways, our policies, do as we wish them to do.

If a program of that kind is followed, we need fear no one.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. BRADLEY].

Mr. BRADLEY. Mr. Chairman, I have spoken against certain parts of this bill,



but I want to say now that I support the committee on the measure as it now stands, and I oppose the reduction as suggested in this proposed amendment.

It is generally recognized throughout military establishments that any dictatorial power which controls all Europe endangers all peace-loving democratic nations of the world, and it seems to me that we must do the best we can to preserve the few friends we may still have in Europe. Predictions regarding military operations and regarding future wars are dangerous, indeed. Even the best professionals make lots of mistakes, and today, with submarines, and aircraft, and the atomic bomb, war would be terrible indeed. I think we should do everything honorable within our power to keep the peace. A cold war is a lot better than a fighting war in which hundreds of thousands of people are going to be killed and in which general destruction will be accomplished. I do not want to contemplate the death of those hundreds of thousands, even though they are chiefly the men, women, and the children of the enemy.

I support the measure as it stands.

The CHAIRMAN. The Chair recognizes the gentleman from Oregon [Mr. ANGELL].

Mr. ANGELL. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Oregon?

There was no objection.

Mr. ANGELL. Mr. Chairman, the long debate on this bill has disclosed the lack of wholehearted support of the so-called Marshall plan. Many of us who are voting for it do so with misgivings. However, those of us who want to take positive action before the Eightieth Congress adjourns, on a program that will help to bring peace and stability to the world and give some hope to the devastated, war-torn countries of the Old World that they may be able to rehabilitate themselves and assume normal activities are forced to vote for the Marshall plan or do nothing. We have no other recourse. I am sure the American people want to do their full share in helping to restore the shattered, war-devastated countries of the Old World and to bring about a stable and enduring peace. I pray God that may be accomplished. My mail is heavy with requests to support such an objective. America has always had a sympathetic approach to distress throughout the world. We should provide a springboard for self-help, not a wheel chair for permanent doles. We must, however, bear in mind that our own financial resources are not inexhaustible, and that we now have a debt of approximately \$257,000,000,000, a peacetime budget of forty billions, with additional billions now being requested by the President. We have the highest tax burden in all our history, and the American people have been pressed to the limit to finance this immense burden thrust upon them. There must be a limit sometime to this exorbitant spending of American tax dollars around the world.

The administration, which has played fast and loose with our foreign affairs, has supported no forthright, effective foreign policy which would result in a solution of the critical world problems facing us. It has been vacillating and has engaged in double talk and appeasement, as a result of which confusion has been added to confusion and a chaotic situation exists in the whole field of international relations. The personnel in the State Department charged with the responsibility of maintaining our foreign affairs, are inefficient, inept, and vacillating and they have failed miserably to effect any solution of these many problems. We were sold down the river at Potsdam and Yalta. The Palestine question has been bungled from the outset, and as a result the administration has not only sacrificed the Jewish people of Palestine, but has gained the enmity of all factions. It adopted the undefensible Morgenthau plan in Germany and forestalled recovery there.

In the Balkan countries, the administration has permitted the iron curtain to be drawn around one nation after another, and has been impotent to protect American interests after having poured literally billions of dollars into these satellite countries which are now under Russian domination. These American funds have gone to build up Russian war power.

Since the war in Europe ended we have sent overseas over \$20,000,000,000 in an endeavor to give relief and help to rehabilitate those countries ravaged by that titanic struggle. During the war, we poured seventeen billions into Europe and Asia. We gave Russia \$11,260,343,603 during the war under lend-lease. Since the war we have given Russia approximately \$168,000,000. We have also contributed \$301,000,000 to Yugoslavia, \$174,000,000 to Czechoslovakia, and \$349,000,000 to Poland, with lesser sums to other Russian satellite countries, thereby swelling the power and military strength of Russia itself.

No one can say that we have not fulfilled our full duty on foreign aid in the past. We have expended overseas, since the war ended, over \$24,000,000,000 for civilian aid. Reports that come to us here in the Congress from our committees and representatives who have canvassed postwar conditions in foreign countries, are to the effect that many of our American tax dollars have been flagrantly dissipated, and poured down "rat holes" with little or no actual aid or relief to the stricken peoples on the lower-income levels who are in dire need of immediate help to prevent starvation. Our foreign-aid program has been shamefully administered and much of the money provided for this program has gone to corrupt politicians, designing civilians and military officials, and others who want to profit from the largess of America without themselves making any contribution by their own self-help to the welfare of their fellow citizens. Whatever we do in the way of relief and aid for the war-stricken nations should be to help them to help themselves, and must be hedged about by administrative controls that will make certain that

every dollar expended will bring a full dollar's worth of value in relief and rehabilitation to the needy recipients of the gifts from our own people. In giving aid, we must not undermine our own financial structure.

Under the Marshall plan we are now embarking on another program of worldwide spending which, according to the planners, will involve an outlay of \$17,000,000,000 at least in a 4-year period. I do not approve a 4-year program, but 1 year only. This stupendous sum is more than the assessed value of the 11 Western States of the United States. Our children and our children's children will be paying on this debt as long as they live. It will be added to an already huge national debt of \$257,000,000,000. If we were assured that the administration would clean house, particularly in the State Department and the Department of Commerce, and would place a conscientious, public-spirited, and efficient American in charge of the expenditures under the administration of this program, we could vote for the plan with more confidence. Judging from past experiences in the spending of the huge sums to which I have called attention, there is little encouragement given that the funds will be conscientiously and honestly expended.

While we are considering this enormous burden to be placed on the American taxpayer, we must not overlook the fact that in the critical world situation now existing and with the threat of war again hanging over our Nation, we must keep our own house in order and maintain our military defenses to full 100-percent strength in the air, on the land, and on the sea. This involves large expenditures and should be one of the first calls upon our resources. We should be strong militarily, not for war, but for peace and the defense of our own country in the event of any emergency. We should not allow our own country to be weakened and its financial resources dissipated, without first providing full, 100-percent national defense.

Mr. Chairman, while I am forced by circumstances to vote for this bill since no other program is offered, I am doing so with the distinct understanding that we are committing ourselves only to 1 year and that at the expiration thereof, or sooner if circumstances warrant, a complete reexamination of the whole problem will be made and a new determination as to what further action, if any, should be taken by the United States to solve these international problems. I am voting for it in the belief we will have a new administration in the White House in January 1949. I am firmly of the belief that we cannot hope for honest, effective, and efficient administration of this program until there is a complete change in the administration from the top levels to the bottom, so that there may be a thorough housecleaning in all departments, resulting in the plugging of the leaks which have resulted in profligate spending of American relief funds by irresponsible persons in high places and low.

Mr. Chairman, I am voting for this bill reluctantly only as a last resort.



# WAS NOT A MARSHALL PLAN FOR THE AGED OF AMERICA?

Mr. Chairman, when we had under consideration the tax bill, I posed the question "Why not a Marshall plan for the aged of America?" I repeat here some of my remarks I made then. There seems to be no valid reason, while we are planning to spend \$17,000,000,000 more overseas for the relief and rehabilitation of citizens of foreign countries, we should not also at the same time make adequate provision for our own old folks here in America who are in want and without the necessities to keep body and soul together. I refer to the inexcusable failure of the Congress to make adequate provision for the aged of America. I again pose the question, "Why not a Marshall plan for the aged of America?" While we are considering the Marshall plan for Europe, is it not time to adopt some plan for the old folks of this Nation? The proposal of the administration is to spend some \$17,000,000,000 in aid to European countries under the Marshall plan, with an expenditure of \$6,205,000,000 for the first year. This is in addition to the twenty-four billions that have already been expended for European aid since the war ended. I call attention to the fact that some of this huge expenditure will be made available for the needy of the European countries, including the aged. Is it not a decent thing to do, while we are expending such huge sums for foreign aid, to have a Marshall plan for our own old folks in America and give them some help in their distress? You can fulfill this obligation to our old folks by signing petition No. 7 and bring on the floor for consideration H. R. 16 which will give them enough aid to sustain them in their old age.

The Congress, for years, has been considering legislation for its elderly citizens. Throughout my legislative service here, covering almost 10 years, I have urged that the Congress adopt a Federal old-age program which will do justice to the old folks of America.

On the opening day of the Eightieth Congress, I introduced H. R. 16, which is a bill providing benefits to the aged and the totally disabled. This bill does not provide any fixed monthly annuity for the recipients, but it does provide for a tax and the total amount raised thereby will be prorated monthly among those entitled to take under the bill. The experts of the Congress on fiscal affairs should determine the tax necessary so that the bill, when enacted, may provide an adequate annuity to maintain these old folks in decency and health. It would lie within the province of the Congress to change the tax from time to time as conditions warranted. This bill has been gathering dust in the pigeonholes of the Ways and Means Committee. Before we adjourned at the special session, I urged that every Member of the House interested in the welfare of our old folks sign a discharge petition which I placed on the Clerk's desk. The Christmas season was then approaching and it seemed appropriate as an evidence of good will and sincere interest in the welfare of these old folks that we sign

this petition and bring this bill on the floor for consideration. One hundred and sixty-five Members have signed the petition. When 218 Members sign, the bill will come to the floor under an open rule and will be subject to any germane amendment, and the House will be able to work its will and to adopt any amendments it desires in order to make the bill acceptable to the majority of our Members. The exact terminology and provisions of this bill are not the important consideration, but it is important to enact some legislation making adequate provision for our old folks, with an assurance that they will have an ample monthly income during their old age to permit them to secure the necessary medical care, food, clothing, and shelter to protect them from want, hunger, and cold.

The existing social-security law for the aged is an ineffective gesture. Under it, as shown by the reports from the Social Security Agency, the payments the aged are receiving for old-age assistance through the States of the Union, average from \$16.92 a month in the lowest State to \$64.93 in the highest, as shown for the month of November 1947, with a national average of \$36.91. Truly, such allowances to cover food, clothing, medical care, and shelter represent a starvation program. As was recently pointed out by the Administrator, in some areas "contributions by the State and Federal Government are not enough to enable people to maintain an adequate diet, and they are literally suffering slow starvation."

The United States Public Health Service recently reported the results of a long-range survey which shows that about 35 persons per thousand have some chronic illness or major physical disability. A gradual increase takes place to a rate of about 100 cases per thousand at 45. From this point on the curve goes up very rapidly. There are nearly 250 chronically ill per thousand at 60. In the next 10 years the rate goes up to 400 per thousand. At 80 more than half of the group needs the regular care of a physician and at 90 the rate is more than 900 per thousand.

The critical problem facing our old folks in their endeavor to maintain a bare existence is tragically intensified by the high cost of food and other necessities of life in this inflationary period in which we find ourselves. The Bureau of Agricultural Economics has recently announced that the cost of food bought by the average American family increased 25 percent in 1947 over 1946. Dorothy Bovee, Red Cross nutritionist, reports that the cost of a minimum adequate diet for a family of two in the Washington area at this time is at least \$11.60 weekly.

We all know old-age annuitants, with their meager income, could not be able to buy this diet, but would be limited to the essential staples only, eliminating the fresh fruit, canned goods, and fancy items. For them it would be a luxury diet.

In contrast to the foregoing minimum fare which old-age annuitants are unable to buy with their limited allotments, is

the menu of a dinner recently given in the Statler Hotel here in Washington to 100 guests by Mr. Charles Luckman, who headed the President's meatless-eggless days' program. Here is the menu: Shrimp cocktail, fried oysters, crabs, shrimp and lobster gumbo, curried chicken, roast turkey, baked ham, roast beef, string beans au gratin, fried apple rings, pickled walnuts, celery, olives, rye rolls, assorted finger rolls, ice cream, and coffee. Mr. Luckman's job was to conserve food for hungry Americans.

Mr. Chairman, how can an old person, who must maintain himself on old-age assistance according to the plan provided in the present social-security set-up, meet his expenses, not only for food but for all other necessities, on an average monthly payment of \$36.91? Is there any valid reason why this Eightieth Congress should not give the right-of-way and green light to legislation for old-age assistance while we are opening the Treasury doors wide for European relief?

We have been concerned in the Congress about the rising cost of living, the inflation spiral, and the added burden placed upon the millions of our workers and the low-income groups who must pay these increased prices for food, clothing, and shelter. Cognizant of these difficulties, the Congress has increased substantially the income of some groups of our citizens, but it has given the old people no consideration. Their meager monthly average of \$36.91 remains the same, while the simple fare they must provide to keep body and soul together has risen in price by leaps and bounds. Many annuitants receive much less than the average of \$36.91. The miserable pittance they were receiving was wholly insufficient to care for their modest needs even before the advent of high living costs.

According to statistics I received some time before the war with respect to the annuitants under the insurance provision of the Social Security Act, 252,000 past 65 years of age received an average of \$23 a month; 74,000 wives of these pensioners 65 or over received an average of \$12.25 a month; widows over 65, totaling 25,000, received only \$20.16 a month; 28,000 parents received \$13 a month; widows under 65, of whom there were 55,000, received \$19.50 a month, and 159,000 children under 18 received \$12.21. Of all persons 60 years of age or over, four-fifths received less than a minimum for decency and health. Before our entry into the war, it was estimated that of the persons 60 years of age and over in the United States, 54.9 percent were supported wholly or partially by public or private social agencies or were dependent on children, relatives, or friends for their subsistence and care. A considerable proportion of the remainder received part or all of their support from various pension systems—Federal, State, and municipal, industrial or private.

At the beginning of the year 1946, nearly half of all civilian jobs were excluded from coverage under the social-security program, and nearly two in five of all persons employed were neither



fully nor currently insured. At best the social-security law we now have is a haphazard program which, in effect, is largely financed by the public generally, but the benefits of which are shared in by only a few selected groups. It encourages inflation by collecting a huge fund currently used for deficit spending. These difficulties would be overcome by the adoption of H. R. 16, which would cover all citizens falling within its provisions, and the obligations and benefits of the program would likewise be shared by all. It would be all-inclusive in its provisions and therefore would obviate the necessity of continuing many social security laws now in existence and would, for the first time, set up in our country an old-age-security program which would insure all of our elderly citizens 60 years of age or over against the hazards of old age. It would build up no reservoir for deficit spending, but the moneys collected would go back into the channels of trade each month, providing local markets for American production and buying power for aged citizens.

On December 31, 1947, there had been paid into the social security fund approximately \$10,524,681,961.55, and \$1,772,431,249.69 paid out to beneficiaries; the balance was spent by the Government for other purposes.

Mr. Chairman, we in the Congress are engaged in a great adventure in human welfare. We are charged with the responsibility of planning and building for 140,000,000 Americans a social, economic, and cultural structure which will assure their welfare. If we omit from our plans the care and protection of the millions of aged citizens who are in want, we will build in vain. We will build a tower of Babel. We must not reject the guiding hand of Providence in our plans; we need spiritual understanding as well as political wisdom. As Benjamin Franklin said to the Constitutional Convention when the great charter of our liberties was drafted:

We have been assured sir, in the sacred writings, that "except the Lord build the house, they labor in vain that build it." I firmly believe this; and I also believe that without His concurring aid we shall succeed in this political building no better than the builders of Babel; we shall be divided by our little, partial, local interests, our project will be confounded, and we ourselves shall become a reproach and a byword down to future ages. And what is worse, mankind may hereafter, from this unfortunate instance, despair of establishing government by human wisdom and leave it to chance, war, conquest.

Daniel Webster, one of our eminent predecessors, said:

Let us develop the resources of our land, call forth its powers, build up its institutions, promote all its great interests, and see whether we also in our day and generation may not perform something worthy to be remembered.

We should not be unmindful of the fact that these senior citizens were the workers of yesterday. They helped build our cities, our roads, our industries, and helped to clear our lands. They were the trail blazers, the pioneers. They built for us. Now that they are old, we cannot pass them by. They do not seek our charity. They only

ask simple justice—a modest share in the fruits of American industry, to the production of which their labors in the past have contributed.

Let us prove to the whole world that these aged American citizens are entitled to, and shall have vouchsafed to them by their country, "life, liberty, and the pursuit of happiness." Let us prove that humanity is still on the march here in America by enacting an old-age annuity plan that will provide for our old people an annuity sufficient to maintain them in decency and health.

I most sincerely urge you, my colleagues, to join us in the petition to bring the old-age security legislation on the floor of this House at an early date, so that it may be enacted into law before this Congress ends, thereby putting America on record as willing to provide reasonable old-age security for our own elderly citizens while we are spending billions overseas for similar purposes. When you have voted for the Marshall plan sign petition No. 7 and bring H. R. 16 on the floor for passage and give our own old folks their Marshall plan to permit them to keep body and soul together.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois [Mr. DIRKSEN].

Mr. JUDD. Mr. Chairman, I ask unanimous consent that the time I had be allotted to the gentleman from Illinois [Mr. DIRKSEN].

The CHAIRMAN. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. DIRKSEN. Mr. Chairman, the amendment that is pending, offered by my gracious friend and colleague, the gentleman from Illinois [Mr. VURSELL], would reduce the direct appropriations to be authorized by this bill by \$1,300,000,000. Stated in another way, my friend from Illinois wants to reduce the bill by one-third. He has in mind then that this becomes not a Marshall plan but a partial plan. Now, if we are going to carry the gospel abroad, let us not carry a thimbleful. Let us not accept the program up to 66 percent and then call it quits. If we are going to do the job, then let us do it right. I said long ago before the Committee on Foreign Affairs, "Let us do it now and let us do it right, and if it is going to be done militantly and aggressively, then let us make sure that there are ample funds for that purpose." Now, I have heard it said this morning that this will lead to bankruptcy. Well, I have made a few statements of my own on that subject over the years, but I say to you in all candor, if it is \$1,300,000,000 that stands between salvation and bankruptcy of the United States, that \$1,300,000,000 will probably not save us, with the debt we have and the national income we have at the present time.

I listened to my friend from North Carolina this morning as he sought to make it appear that this was a measure to prevent war and that it would fail in that objective. It is a hope that we can prevent war. It takes two parties to prevent war. If the Soviet Union and the United States could reach some kind

of accord, you may be sure that war would be prevented, but in the absence of that kind of formal accord anything can happen in this world today, and this represents the hope—the prayerful hope—that war may be averted.

Now, is it not strange that men will come into the well of this House and talk about billions for aircraft in preparation for the next war and yet resolutely take a stand against this proposal which might spare the world another bloody struggle. I am willing to spend, if necessary, a lot more than this in order to discourage and avoid a repetition of those dark shadows that we have come through since 1941. Let us not be so niggardly. It is said that this will not prevent communism. Perhaps it will not prevent it in Russia, but as I sought to say yesterday, first we have got to bring some hope to people where there is a chance and where the spark of freedom is still alive, and, secondly, seek to retrieve freedom where it has already been liquidated by this very evil force. Let us not be niggardly. Let us go the full way and travel a second mile and give them the money they need for a decent job. To you on my side let me say to you that we have our responsibility, because we are in charge of this body at the present time. If the program fails because we were too niggardly, it will be our failure.

The CHAIRMAN. The time of the gentleman from Illinois has expired. All time has expired.

The question is on the amendment offered by the gentleman from Illinois [Mr. VURSELL].

Mr. VURSELL. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] One hundred and forty Members are present, a quorum.

Mr. VURSELL. Mr. Chairman, I ask unanimous consent that the amendment be read for the information of the Members.

The CHAIRMAN. Without objection, the Clerk will again report the amendment.

There was no objection.

The Clerk read as follows:

Amendment offered by Mr. VURSELL: On page 82, line 11, strike out "\$4,300,000,000" and insert "\$3,000,000,000."

The CHAIRMAN. The question is on the amendment.

The question was taken; and on a division (demanded by Mr. VURSELL) there were—ayes 61, noes 112.

So the amendment was rejected.

Mr. SMITH of Wisconsin. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SMITH of Wisconsin: On page 82, line 6, strike out "1952" and insert "1949"; and in line 15, strike out the sentence after the period and substitute therefor the following: "Nothing in this act shall be construed as placing either a legal or a moral obligation upon any succeeding Congress to continue the present aid program beyond the 12 months herein provided for."

Mr. SMITH of Wisconsin. Mr. Chairman, there has been a good deal of talk on



the floor of the House, and I believe a great deal of discussion throughout the country on the question as to how long this program should run. The Members have observed that throughout the bill the date 1952 is used. We ought to be honest with the people of this country and I am giving this body an opportunity to vote for a 1-year program. You can do it by supporting this amendment on line 6 by striking out 1952 and inserting 1949. That will make it a 1-year program. In my opinion the committee itself ought not to object to that amendment. I call your attention to the language in the bill on that same page starting at line 15:

The authorization in this title is limited to the period of 12 months in order that subsequent Congresses may pass on any subsequent authorization.

In view of the language contained in the bill, this amendment ought to be adopted unanimously. If you believe that this should be a 4-year program, of course you will not vote for the amendment. Likewise in my amendment I changed the last sentence to read as follows:

Nothing in this act shall be construed as placing either a legal or a moral obligation upon any succeeding Congress to continue the present aid program beyond the 12-month period herein provided for.

I believe that language is stronger and leaves no doubt as to what we are doing here today. We are up against a buzz-saw. Do you want a 4-year program or do you want a 1-year program? I take it that if this program is a success and if it is doing the job that we think it should do we will be in session a year from now and there will be no doubt about it at that time that the Congress will appropriate funds for an additional period if it is necessary. It seems to me that is just common horse sense.

Mr. DAVIS of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Wisconsin. I yield to the gentleman from Wisconsin.

Mr. DAVIS of Wisconsin. Does the gentleman think his amendment will clear up the confusion that exists in the minds of the people of the countries who are the recipients of this aid?

Mr. SMITH of Wisconsin. I do not think there is any doubt about it. The gentleman is right. I feel there would be a very favorable reaction if we adopt this amendment.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Wisconsin. I yield.

Mr. TABER. This amendment will make the bill what it is supposed to be. It says that this is a 1-year bill, and it will make it a 1-year bill.

Mr. SMITH of Wisconsin. That would seem to be the case to me.

Mr. VORYS. Mr. Chairman, I ask unanimous consent that debate on this amendment and all amendments thereto close in 30 minutes, the last 5 minutes to be reserved for the committee.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio [Mr. GRIFFITHS].

Mr. GRIFFITHS. Mr. Chairman, I rise in favor of this amendment.

I think it is about time we found out where we are going, because, wherever it is, we are sure traveling at a very fast rate.

Some time ago I asked members of the committee to tell me the amount of tractors that these people wanted, the amount that had been requested by the different nations. I got my information in conversations down at the Department of Commerce. Greece wants 1,000. France wants 1,100 or more. I find the States of Wisconsin, Minnesota, Michigan, Illinois, Indiana, and Ohio did not have a hundred altogether. So that is one reason why I think we could cut down considerably on this amount. They are only to supply them when a demonstration shows they can be put to effective use. If that is so, I know that a lot of this can be cut down.

Then, of course, last fall, during the interim-aid discussion, we asked how about these war plants; plants for reparations. Two members of this present committee told me that had been stopped. That was last fall. Well, gentlemen, right here I have the figures, and I will show them to any of you. Here is a whole list of plants where this year they are asking now for bids. The last date is March 3. The gentleman from Illinois said, "Let us not be niggardly." I do not want to be niggardly, but I do not want to waste money. I want them to come in here and justify the amount they are asking.

Some few years ago I was just a kid and I was in the Navy. I was in England, and the lord mayor gave us a dinner in Guild Hall. The man in charge was Commander Simms; afterward, during the First World War, he was Admiral Simms. I will never forget what he said. "Oh," he said, "whenever England is attacked, she can depend upon every ship, every man, and every drop of blood of the American people." It seems to me they are surely coming back all the time trying to get that last drop of blood.

I imagine some of you saw last night's paper.

Britain finds action to include Spain very awkward. High British sources express surprise at the vote of the American House of Representatives to invite Franco Spain into the foreign-aid program.

I do not have any objection to that paragraph.

British Foreign Office refused official comment, but one authority termed the American move "very awkward."

I do not have any objection to that, but I do object to the last paragraph, which says:

Whitehall sources take the position that it was up to the 16 Marshall plan nations to invite whatever other countries were to participate.

In other words, you have got your orders. They will tell you who you can give the money to and how much and where you are going to give it. It is about time we started legislating for America.

I agree with the gentleman from South Carolina [Mr. DORN]. I do not care that the former Speaker of this House says, if you vote against this you are voting against the arming of the country. No, we are not. You bring in a bill for a hundred billion dollars for the Army and the Navy and the Marine Corps and I will vote for it, but I am not going to vote for any more of this stuff down a rat hole. You have got the ERP now, all right. Wait for a week or so and you will get SAP—that is South American Program.

The CHAIRMAN. The time of the gentleman from Ohio [Mr. GRIFFITHS] has expired.

Mr. PHILLIPS of California. Mr. Chairman, it seems to me, as one Member of the House, that this is a most important amendment to the bill. It is necessary to read this bill in several parts of the bill at once to understand its intent.

In colloquies yesterday and the day before, representatives of the Committee on Foreign Affairs repeatedly said that this was a bill limiting aid to Europe and other countries to 1 year; that under no circumstances were we committed beyond a year. The bill does not confirm that statement. The bill denies that statement. The bill states on page 82 that such funds under this bill shall be available "as are hereafter authorized and appropriated to the President from time to time through June 30, 1952"; and on page 97 of the language it again states: "After June 30, 1952"—which is 4 years.

It is true that a very weak attempt is made on page 82 to say that this title is limited to a period of 12 months, but by a strict interpretation that applies only to the authorization of \$4,300,000,000; and, finally, on page 97, instead of saying that this is continued year after year only if positive action is taken, it states that only positive action will stop it. In other words, the bill is exactly the reverse of the committee's statement. So I am very glad indeed that a member of the committee, the gentleman from Wisconsin [Mr. SMITH] has offered this amendment. I have at the desk four amendments which would attempt to clarify the bill, to say what the committee says it says, that is all. Consequently if this is adopted and an amendment were adopted on page 98 changing the figure "1952" to "1949" then the bill would be clear and unequivocal; and the leaders of the socialistic movements in the countries of Europe would not be able to say to their people: "Look at what the United States has said they are going to give us—support for 4 years. Continue to keep me in power and I will continue to get you support, I will get you support for 4 years." We want a clean-cut bill, one which commits the United States for 1 year and 1 year only.

I ask that the amendment be given an overwhelming vote under the circumstances.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. BENNETT of Missouri. Mr. Chairman, I move to strike out the last word.



Mr. Chairman, it is apparent that Congress will approve the administration's European recovery plan committing our taxpayers to provide at least \$17,000,000,000 to Europe over the next 4 years. Funds authorized in the pending bill are to be added to twenty-four billions already provided for similar purposes since the war ended. Let us all hope that it brings the results for which it was advertised. Its cost will be high in prices, scarcities, and inflation at home. But if it helps secure the peace and stop communism it will be worth every cent.

Some of us, I hope, can be pardoned if we reserve our doubts about this program. Put over with great fanfare and hysteria, unidentified submarines seen off the coast, and all that, it brings to mind UNRRA, Bretton Woods, the Export-Import Bank, United Nations, the International Bank, lend-lease, reciprocal-trade agreements, the Atlantic Charter, and all the other panaceas formerly advanced in so-called great emergencies, and which, though they have cost us dearly, have failed, thus requiring ERP. What will follow ERP? Well, most certainly there will next be similar programs for South America and Asia. They put the needle in the taxpayer just a little bit at a time. Further, the administration has already frankly told you that Congress will have to reimpose economic controls to combat inflationary effects of this stimulus to inflation given by these vast appropriations. Also, that Congress must now back up ERP with guns, planes, peacetime military conscription, and a revival of selective service. Thus goes the peace and freedom for which a war was fought. I was around Congress when they were getting us into World War II. The path we follow now is just the same. First it is money. Then it is guns. Then it is blood. I have supported all legislation presented here designed to establish peace and security for the world by international cooperation. But we are now far beyond that abandoned effort. Today you talk of cold war. Too few here are of the opinion that a strong and prosperous America well defended is the world's greatest guaranty of peace and freedom. I wonder if we do not play the Communist game by bleeding ourselves white and weakening ourselves at home, leading ourselves to boom, bust, and war? I discussed this matter in some detail in an address I made and which can be found in the CONGRESSIONAL RECORD, January 29. I do not wish to be repetitious here.

That all good Americans favor adequate national defense cannot be denied. Congress is going to provide it. A long series of failures in foreign policy have put us in a position where we have little choice. Who is responsible for these failures? That is too long a story for this brief opportunity of discussion. However, not the least of those responsible is the American State Department. Hull, Stettinius, Byrnes and Marshall have the greatest records of failure of any secretaries of State in our history. Marshall's failures have been as great as his monumental successes as chief of staff, where at least his failures are hidden by military secrecy and censorship. One of his greatest troubles seems to be a lapse

of memory, frequently suffered. For instance, he cannot remember where he was the night of Pearl Harbor. He has admitted that while he attended the Tehran and Yalta Conferences to advise our ailing President, and was at Potsdam to advise Truman who inherited the secret commitments from the former President, he didn't know what those commitments were. The other night, at a dinner attended by 48 Members of Congress, he admitted that he didn't know the Truman-Marshall European recovery plan included \$797,000,000 for Ireland, a country neutral in the war and not damaged by it. Of course, one thing is not generally understood. Marshall, with his great military reputation, is only the front man for the real kings in the State Department. It is these boys behind the scenes who stay and stay while secretaries come and go. They write the program. Sometimes the secretaries read them and sometimes they apparently do not. The ERP plan includes money not only for Ireland, the threat of communism there is hard to imagine, but for other countries which were neutral in the war. For instance, \$38,000,000 to Iceland, where we spent millions on airports they now won't let us use. Portugal, \$150,000,000, a country run by a Fascist dictator. \$700,000,000 to Sweden and Switzerland which sold to both sides in the war and got rich. In those countries the dollar is at a discount in exchange. It is true, however, that most of the money, \$5,348,000,000 will go to Great Britain, which has spent the gift we gave here in 1945, of \$4,400,000,000 to subsidize her experiment in Socialism, reduce taxes and increase old-age pensions and social benefits.

But, to get back to the powers behind the throne in the State Department. Here we have an extraordinary situation. While we are fighting a cold war with Soviet communism, the State Department approves trade treaties with her satellites, and in 1947 alone approved shipment from this country to Russia and the 10 countries in the Soviet bloc \$431,483,000 worth of United States goods, including war supplies. We have given Russia and her friends not only hundreds of millions of dollars since the war, but over eleven billion during the war. Our inconsistent policy toward communism abroad, our coddling of it at home, can only be explained by the large number of Communist sympathizers in the State Department. Congress has, time and again, demanded that they be fired. Only the President can fire them. They are his appointees. The Supreme Court has ruled Congress cannot single them out and cut off their salaries. All we can do is expose them. It should now be apparent that they are so firmly entrenched they will not be fired by the present administration.

Who are some of these gentry? On March 11, Senator WILSON, of Iowa, put in the CONGRESSIONAL RECORD the names of several hundred people furnished by the Department itself as having had a hand in development of ERP, either as regular Government employees or as consultants. Not all of these people are Reds. Some are just incompetent po-

litical hacks and society boys. Our colleague from Georgia [Mr. Cox] has performed a service by identifying some of them. He called our attention to Herbert W. Parisius, a Government employee, appointed to his post by Henry Wallace and still there, spending much of his time soliciting subscriptions to "commie" publications from other Government workers. Then there is Arthur E. Goldsmith, who testified to a House committee that he was a member of two Communist-front groups, denounced by the Attorney General. Kenneth Meiklejohn, head of the Socialist Party of the District of Columbia; Ralph Hetzel, cited three times by the House Committee on Un-American Activities; David Lasser, who headed the Communist Workers Alliance and is listed 13 times in the files of the Committee on Un-American Activities; Thomas Blaisdell, admitted member of two organizations cited as subversive by the Attorney General and the House Committee on Un-American Activities; Felix S. Cohen, leader in the Socialist League for Industrial Democracy and a former instructor at the Socialist-Communist New School for Social Research. And last but not least, Lewis L. Lorwin, who, when kicked out of the University of Montana in 1919, went by the name of Louis Levitski Levine. Russian born, Levine-Lorwin has been a consistent left-winger, friend of Henry Wallace, delegate to Socialist conventions, and visitor to Russia at expense of Moscow. These are the kind of people who have administered foreign relief programs for us in the past and who as long as the New Deal is in power will continue to do it. Why waste the money? We had better spend it on plenty of powder and keep it dry. That is language the Communists can understand. Handouts such as here proposed will fatten up their intended prey but not save them any better than it did poor Czechoslovakia.

Yes, I want to help the poor and suffering, not only abroad but in my own country. I am for getting the Government of the United States out of the red and the Reds out of our Government. This bill for an international WPA is not helpful to that end. I have heard no one in Congress argue that it is. The argument seems to be that a vote for this bill is a vote against communism. Well, my record on that is clear so I do not have to cast a political vote on this measure. I was pointing out the dangers of communism when some of those who speak most loudly against it today were appeasing it. I also am proud of the distinction of having been singled out by the official Soviet Government Communist newspaper, *Izvestia*, in Moscow, November 28, 1947, for abuse which indicates the name of MARION T. BENNETT is high on the Kremlin's purge list, comes the revolution.

The CHAIRMAN. The Chair recognizes the gentleman from Colorado [Mr. CHENOWETH] for 5 minutes.

Mr. CHENOWETH. Mr. Chairman, I rise in support of the amendment offered by the gentleman from Wisconsin.

There is considerable sentiment in this country for a measure which will provide relief and assistance to Europe for a



period of 1 year, and 1 year only. It is very obvious in reading the bill now before us that this is a 4-year program. If you will read the debate on this bill as contained in the RECORD of last Monday, March 29, and particularly the colloquy which took place on the floor of the House between the gentleman from Ohio [Mr. BREHM], and the distinguished minority whip the gentleman from Massachusetts [Mr. MCCORMACK], I am sure there will be no doubt in your mind as to the period covered by this legislation. It is proposed to establish a 4-year program. Frankly, I am surprised that the committee would recommend such a long-term project, in view of the world situation today. The bill contains the date of June 30, 1952, in several sections, although the general impression seems to exist that this is a 1-year program. This amendment is necessary to clearly and definitely fix the period for 1 year only. There are those who would support a 1-year program who are not in favor of a longer commitment at this time. I personally feel that it would be a serious mistake to become involved in a 4-year plan.

The world situation is critical. There is a great deal of hysteria in our own country; I do not know how much of this war scare is justified. The administration has been following a secret foreign policy and the American people have not been given the facts. Congress is an independent branch of the Government. We have the authority, the jurisdiction, and the responsibility to implement our foreign policy. We should act absolutely free and independent of the executive. We must exercise our own discretion and judgment as to what is for the best interests of the United States. No one can predict what the world picture will be a year from now. In my opinion, we should limit this program to 1 year. Then there will be no doubt as to our legal or moral commitments. Otherwise, we may find ourselves under moral obligation to continue a program that we would like to abandon. I cannot understand why there should be any objection to this amendment.

Mr. Chairman, it has been argued that this is a bill for peace, and we are buying peace with American dollars. I am reminded that this same argument was made for the lend-lease bill back in 1941. That bill was presented as a measure that would keep us out of war, but had the opposite effect. Since the war we have tried numerous schemes to establish a just and lasting peace. All have failed, so we should exercise caution in setting up another world organization.

The most important task is to keep our own economy strong. Let us be careful to do nothing which would impair the strength and stability of our country. This is our first obligation. No one can predict what is ahead, and certainly we should not commit ourselves for 4 years.

Mr. DAVIS of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. CHENOWETH. I yield to the gentleman from Wisconsin.

Mr. DAVIS of Wisconsin. Does not the gentleman think this thing could be given a much more fair-minded analysis

a year from now and that we can be absolved of any possibility of breach of faith if we make it a 1-year program?

Mr. CHENOWETH. Absolutely; and I do not see how that statement can be disputed, even by members of the Committee on Foreign Affairs. Surely no Member of this House will deny the fact that a year from now the present confused situation in world affairs will either have cleared, or will have become so grave that a program like this would be absolutely futile. I submit we are taking a dangerous step if we commit ourselves to the 4-year program contained in this bill.

Mr. SHORT. Mr. Chairman, will the gentleman yield?

Mr. CHENOWETH. I yield to the gentleman from Missouri.

Mr. SHORT. The gentleman is a very able lawyer. He was a distinguished judge in Colorado. Does he think there is any legal or constitutional authority for one Congress to bind another Congress?

Mr. CHENOWETH. No; I do not.

Mr. SHORT. Does he think it is legal for us to vote for a 4-year plan, pledging a Congress that has not yet been elected?

Mr. CHENOWETH. I agree with the distinguished gentleman from Missouri. We have no such authority. I submit that the amendment offered by the able gentleman from Wisconsin, a member of the Committee on Foreign Affairs, should be adopted. At best, this proposal is nothing more than a calculated risk, which should not be assumed for more than 1 year.

The CHAIRMAN. The time of the gentleman from Colorado has expired.

The Chair recognizes the gentleman from Illinois [Mr. DIRKSEN].

Mr. JAVITS. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield to the gentleman from New York.

Mr. JAVITS. May I point out to the Committee that I was very much engaged in the effort to draft this part of the bill. I was overruled because I wanted a much stronger statement than is now contained in here of our realization that the European recovery was a 4-year program. What the bill contains now is a statement that we envisage this program; we understand this program to be a 4-year program. There is certainly no future commitment expressed in our recognition of the facts about the program.

Mr. Chairman, perhaps it would help the members of the committee if I read a few lines of the report of the 16 nations in the European recovery program as follows:

The effects of the war, which are so clearly illustrated by the lack of balance in the world's trading pattern, cannot be cured in a few months. Nevertheless the participating countries are confident that in 4 years considerable and decisive progress can be made to overcome them. This recovery program can break the back of the problem.

We can do no less if we want the 16 European nations to have any hope for the future. May I ask whether we want a recovery program to help the peoples

of the 16 European nations to get off their backs, or just another relief program?

Mr. DIRKSEN. I thank the gentleman. May I say to the membership of the House that the destruction wrought in Europe was not wrought in a day. The bombers and the howitzers and the long-range rifles were at it a long time. In proportion that the destruction was not wrought in a day it will not be repaired in a day or a year.

The net effect of the amendment offered by the gentleman from Wisconsin, of course, is to make this essentially a relief program instead of giving it the continuity that is necessary for a rehabilitation program, to undo the damage which was wrought. When all is said and done there must be well-being in Europe if we are going to do something effective in the field of combatting the onrush of communism. And well-being comes from productivity. Their own economic systems have to be wound up and started all over again. Obviously it cannot be done in a year. I shall never delude anybody about that. On yesterday, when I stood in the well of this House, I envisioned a program that might go even further than 1952. But, the corpse is on the back of Europe, and unless the corpse is removed, unless economic machinery is set in motion once more, how long will these supplications for relief come to this country? So, it is essential not only that there be continuity, but that there be ample time to spell out a rehabilitation program because that is the vitals of the bill before us at the present time. Relief comes first but rehabilitation is the core of this effort, and finally by this and other devices the stemming of the march of Red fascism.

Mr. CHENOWETH. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield to the gentleman from Colorado.

Mr. CHENOWETH. Are we not in a rather awkward position if this program should result in the disastrous failures that many of its predecessors have, and are we not then in the situation of having a moral commitment for 4 years?

Mr. DIRKSEN. There is at least this about it. There is technically peace in the world that we did not have, for instance, at the time UNRRA was set up. It would go on further under rather turbulent and difficult circumstances, and I hope that this will succeed and succeed abundantly. But, this is a worthwhile chance. Let us not destroy the effectiveness of the program by interfering with its continuity where the stabilization of currency is involved and the machinery for the whole interdependent economic mechanism. We have been in Germany for 3 years and we have not stabilized the currency over there yet. It is not because we have not wanted to, and it is not that Britain has not wanted to or France, but the difficulties in obtaining cooperation have been almost insurmountable, and it may take a while longer. Similarly in other countries, to establish a stabilized currency and reestablish a sound economy may take infinitely longer than



a year. So there must be continuity to the program if it is to be effective.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield to the gentleman from Minnesota.

Mr. JUDD. The Members of this House are greatly saddened by the physical affliction from which the gentleman from Illinois is suffering. We are confident he will have rapid and complete recovery. But would the gentleman, or any of us, like to have a physician who would say to him, "I will treat you for 6 weeks or 6 months, but if you are not cured at the end of that period, then I will not do anything more for you at all"? Similarly a program of recovery like this of necessity progresses slowly. To make sure that we do not waste the money we put in, we must lay out a long-term plan that gives greatest chance of success. We must give the recipient countries the expectation that to the extent they make progress under this program, to the extent they work together cooperatively, the United States also expects to play its part. We make no commitments beyond 1 year. We specifically limit the promise to 1 year. But we seek to give them the maximum incentive to do their utmost as the way to justify us in authorizing and appropriating more each year for a 4-year period. It is to save money, to put it to the most effective use in bringing healing to the sick, sore spots in Europe that we have written the language so as to give hope but without commitment.

Mr. DIRKSEN. Precisely so. I hope the amendment offered by the gentleman from Wisconsin will certainly not prevail.

Mrs. DOUGLAS. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD in opposition to this disastrous amendment.

The CHAIRMAN. Is there objection to the request of the gentlewoman from California?

There was no objection.

Mrs. DOUGLAS. Mr. Chairman, the amendment of the gentleman from Wisconsin would turn this bill into just another provision for an interval of relief.

Aid for 1 year will not be long enough to assure recovery and is not even long enough to justify the term "program."

The amendment by the gentleman from Wisconsin, in other words, takes the European recovery program and strips it of program and recovery and leaves us only with the word European.

Another year of relief is not worth \$5,300,000,000. If Europe can be rehabilitated, however, the investment our taxpayers are making in this bill will be returned manifold in productive and sound world trade.

It is the essence of a program that it involves a schedule of work looking toward the accomplishment of a pre-defined end. There is a moral commitment in this bill—to do our part for the next 4 years if the European nations in CEEC do theirs. Curtailment of this moral undertaking to 1 year means that there simply will not be a program. Remember, we can stop our aid at any time. Congress must authorize money for this

program every year. If sound, economic rehabilitation is being achieved as a result of mutual cooperation between the countries of Europe and ourselves, we will want to continue our aid. It is sound business to do so. We are committed to this program only if it is a success. We are not committed to a failure.

The objective of the European recovery program as originally envisaged was to be the recovery of Europe. If we cut this to 1 year we have tied ourselves down so that we cannot adequately plan or act to insure the supposed objective—the recovery of Europe. We simply have one more phase in the hodgepodge of relief.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio [Mr. VORYS].

Mr. VORYS. Mr. Chairman, I beg the Members to read what is already in the committee bill in lines 11, 12, and 13, on page 82:

Nothing in this title is intended nor shall it be construed as an express or implied commitment to provide any specific assistance, whether of funds, commodities, or services, to any country or countries.

My esteemed colleague from Wisconsin, however, has in his amendment provided that this bill shall constitute neither a legal nor a moral obligation. I question very much whether the Congress has any right to attempt to legislate moral obligations or absence of moral obligations on the people of the United States or Members of Congress. We are going far afield when we attempt to legislate morals for ourselves or our citizens.

The gentleman's amendment also cuts the whole period of the thing to 1 year.

I want to speak to my Republican colleagues. Brethren, this is it. For years we have thundered against the piecemeal, stopgap foreign policy of the New Deal. We have demanded a long-range, world-wide policy, and we have got it, here, now formally set down, carefully framed and limited, and largely written by Republicans; and what happens? We find Republicans on this floor who want to go back to the New Deal emergency stopgap year-to-year relief plan.

Of course, I had expected a certain amount of opposition to our policy statement. We are suffering from congressional foot and mouth trouble here, Members who drag their feet and foam at the mouth day after day against anything we are trying to do here, while we try to get ahead with this gigantic and pressing task. They are willing to line up with the New Deal or with Wallace or anyone to oppose what we are trying to do now.

But I am concerned that others, men of good sense and good will whose friendship I value so highly, such as the author of this amendment, hesitate and shudder because they realize this fact: Any long-range policy involves our saying now what we intend to do in the future, whether or not we reserve the right to change our minds later. We want other nations to hold out indefinitely against powerful and terrifying external and in-

ternal forces. In order to hold out indefinitely, they must know now definitely what our plans are if they do hold out and do as we suggest.

In the strategy of waging peace, and that is what we are trying to do, a poor plan is better than no plan at all; but this is a good plan. We may find mistakes in it. They will be corrected in the future if we adopt a policy of having a plan. Let us not go back to organized planlessness. Let us not go back to the policy we have criticized for years. Remember, we are deciding on a policy now whichever way we may vote. We will vote either for a definite, written plan and policy, or for a policy of annual emergencies, the policy we have followed so disastrously in recent years.

The committee plan shows that first, we tell the world that we reserve the right to future Congresses to authorize and appropriate each year; second, the world knows we may make other changes in the plan each year as we review the working of the plan in public hearings on authorizations; third, we reserve the right to terminate the plan at any time for any country for failure to comply with our requirements; fourth, we state plainly that at all times continuity of assistance depends upon continuity of cooperation, but, fifth, we state now that our present intention is to leave the plan on the books, subject to amendments, for 4 years, while they work out their 4-year plan which they have said will remove them from any further dependence on us.

Mr. Chairman, we are not used to taking a long look ahead all over the world. We had better start. We made a start in the first 40 pages of this bill. Let us not spoil it now. Let us vote down this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin [Mr. SMITH].

The question was taken; and on a division (demanded by Mr. SMITH of Wisconsin) there were—ayes 63, noes 91.

Mr. SMITH of Wisconsin. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. VORYS and Mr. SMITH of Wisconsin.

The Committee again divided; and the tellers reported there were—ayes 117, noes 127.

So the amendment was rejected.

Mr. PHILLIPS of California. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. PHILLIPS of California. Mr. Chairman, did the vote just cast include a proposed amendment to lines 15, 16, and 17, or was that offered as a separate amendment?

Mr. SMITH of Wisconsin. They were both considered as one amendment.

The CHAIRMAN. The Chair will advise the gentleman from California that the amendment just voted upon did include language substituted for that in lines 15 to 17, inclusive.

Mr. PHILLIPS of California. Mr. Chairman, I offer an amendment, which I send to the desk.



The Clerk read as follows:

Amendment offered by Mr. PHILLIPS of California: On page 82, strike out lines 15, 16, and 17, and substitute for them "or countries. No authorization in this bill shall be construed to imply any commitment, legal or moral, to advance further aid after June 30, 1949. Although the bill recites later dates, it is the sense of this Congress that such aid will be extended only if the recipient countries are doing all they can to aid themselves, and if such further aid is justified by the then economic and financial condition in the United States."

Mr. VORYS. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. VORYS. As I understand, the amendment is substantially the amendment that has just been passed upon.

The CHAIRMAN. The Chair is prepared to rule. The amendment submitted goes much further and suggests other conditions, is stated differently, and involves substantially different propositions than the amendment heretofore voted upon.

The Chair overrules the point of order. Mr. VORYS. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. VORYS. The Committee of the Whole, having limited debate on this amendment and all amendments thereto, does that limitation apply to this amendment?

The CHAIRMAN. This is not an amendment to the amendment which has been disposed of; it is an independent amendment.

The gentleman from California is recognized for 5 minutes in support of his amendment.

Mr. PHILLIPS of California. Mr. Chairman, as all Members of the House realize who heard the amendment read, this does not make any material change in the bill submitted by the committee. It strikes out the last sentence on lines 15, 16, and 17, on page 82, and inserts what the committee says this sentence intends to say. It does so, however, in simple, understandable language, which I can understand, which you could understand, Mr. Chairman, which anybody in any European nation could understand: That although this bill does contain, in several times the date 1952, which the committee has just decided to leave in, that it is the sense of this Congress that such aid will be extended beyond 1949 only to recipient countries who are doing all they can to aid themselves, and if further aid is justified, not by what now is, but by what may then be, the economic and financial condition of the United States.

Mr. Chairman, I simply call the attention of this committee, to the fact that by the last vote, this teller vote just taken, we committed the United States irrevocably for 4 years. We permitted the leaders of Socialist groups in Europe to say that the United States was going to support their governments for 4 years. You know exactly what would happen in this country under similar conditions; and so I am trying to say here, as I hope to say again on page 97, something that

could be understood by anybody who reads the bill, that it is the sense of this Congress that aid will not be extended under any circumstances beyond 1 year unless certain conditions have been complied with in Europe. That being the case I see no reason why anybody could object to that, if the statements previously made have been true, that this is only a bill for 1 year.

Mr. ROGERS of Florida. Mr. Chairman, will the gentleman yield?

Mr. PHILLIPS of California. I yield. Mr. ROGERS of Florida. Will the gentleman explain who is going to determine whether the conditions have been fulfilled or not?

Mr. PHILLIPS of California. Just the same as before. I am not changing that part of the bill. Whoever was going to determine it before, the Administrator or the Congress, would have to determine it under my amendment, if adopted.

Mr. MUHLENBERG. Mr. Chairman, will the gentleman yield?

Mr. PHILLIPS of California. I yield.

Mr. MUHLENBERG. Will the gentleman from California please advise us who is to be the judge?

Mr. PHILLIPS of California. That question was just asked by the gentleman from Florida, and my answer is that I am not trying to change that at all, that whoever would make the determination under the language of the bill would also make the determination under the language of my amendment, only I am making it a little easier for our people to understand, and very much more clear to the Socialistic leaders in Europe.

Mr. MUNDT. Mr. Chairman, will the gentleman yield?

Mr. PHILLIPS of California. I yield.

Mr. MUNDT. It seems to me, if I understand the gentleman's amendment that he is delegating to this Economic Administrator, whoever he may be, the power which should be retained in the hands of Congress as to whether or not this program is to run one, two, three, or four years.

Mr. PHILLIPS of California. Only if the committee so delegated it. If the committee delegated it, I did.

Mr. MUNDT. Under our version the Economic Administrator has nothing to say whatsoever as to how long the program runs. That decision is kept entirely in the hands of Congress where it rightfully belongs.

Mr. PHILLIPS of California. The gentleman is displaying the confusion which I have previously pointed out which exists in the committee version between pages 82 and 97. I have been arguing just what the gentleman from South Dakota now says, but I was voted down. Now I am giving the committee a chance to say in understandable language what the committee says it means.

When we come to page 97 I will have another amendment. This is a helpful amendment, which I think ought to be adopted.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. VORYS. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, in two respects this amendment merely brings up points that

have already been disposed of. It makes the time June 30, 1949. It also puts in these words: "That nothing shall be construed to imply any moral obligation."

I seriously question whether this Congress has the right to legislate the morals of its Members or the people of the United States as to moral obligations. Then comes this strange language, which will be something new under the sun if we have that sort of language in any bill. Let me read it:

Although the bill recites later dates, it is the sense of this Congress that such aid will be extended only if the recipient countries are doing all they can to aid themselves, and if such further aid is justified by the then economic and financial condition in the United States.

That thought is already written in precise and forceful language in the bill. Let me read from page 49, lines 7 to 14:

Provided, That no assistance to the participating countries herein contemplated shall seriously impair the economic stability of the United States. It is further declared to be the policy of the United States that continuity of assistance provided by the United States should, at all times, be dependent upon continuity of cooperation among countries participating in the program.

Let me read also from page 82:

Nothing in this title is intended nor shall it be construed as an express or implied commitment to provide any specific assistance, whether of funds, commodities, or services, to any country or countries.

Let me read further:

The authorization in this title is limited to the period of 12 months in order that subsequent Congresses may pass on any subsequent authorization.

It is thus made crystal clear we are reviewing this year by year, that we are not legally committed to authorize or appropriate a thin dime to any country. But we certainly do not want to attempt to write into law an express prohibition of a moral obligation that a United States citizen or a Member of Congress might feel compelled to follow.

Mr. MUNDT. Mr. Chairman, will the gentleman yield?

Mr. VORYS. I yield to the gentleman from South Dakota.

Mr. MUNDT. We also make it crystal clear that the continued authorizations and appropriations must be made by Congress. The gentleman from California, not intentionally but by the language he uses, delegates that authority to the Economic Administrator. Certainly I do not want to take such a step toward one-man government in this body today.

Mr. VORYS. Mr. Chairman, because of the fact that two of the points in here have already been debated and passed upon and the third point is provided for more appropriately and effectively in the bill, I urge that the amendment be voted down.

Mr. JAVITS. Mr. Chairman, will the gentleman yield?

Mr. VORYS. I yield to the gentleman from New York.

Mr. JAVITS. The amendment states: "Such aid will be extended." The gentleman from California is trying to put words in the mouth of the committee. The committee said no such thing. In



his zeal to interpret words of the committee the gentleman is saying what the committee would not say in promising to extend aid. For that reason alone the amendment ought to be defeated.

Mr. VORYS. The gentleman is extremely fair in bringing this up because the gentleman proposed a somewhat similar phrase to the committee. He did it, having the purpose in mind that the bill should provide that "aid shall be extended." The committee struck that down and the House has agreed with the committee's position. The gentleman is very fair in pointing that out. We should not do by mistake what we refused to do deliberately. One thing we will have, if this amendment is adopted and anybody can understand this language at all, is a statement in here that "aid will be extended."

Mr. CHELF. Mr. Chairman, will the gentleman yield?

Mr. VORYS. I yield to the gentleman from Kentucky.

Mr. CHELF. I want to say that at first blush I thought the gentleman's amendment was the proper thing to do and I was thinking probably I would support it. But the gentleman has explained it and has stated that the language is quite sufficient in the bill as it is, therefore I am against the amendment.

Mr. McCORMACK. Mr. Chairman, I move to strike out the last two words.

Mr. VORYS. Mr. Chairman, I ask unanimous consent that all debate on the pending amendment close in 5 minutes.

Mr. GOFF. Mr. Chairman, I object.

Mr. VORYS. Mr. Chairman, I ask unanimous consent that all debate on the pending amendment close in 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio? There was no objection.

Mr. McCORMACK. Mr. Chairman, it seems to me that the gentleman from South Dakota [Mr. MUNDT] has very clearly called to the attention of the Committee of the Whole the main objections to the amendment offered by the gentleman from California. There are other objections which have been referred to but certainly we would not want to take the chance of placing in the Economic Administrator such broad powers as this amendment undoubtedly would give him. It seems to me that the Committee has very carefully considered this question. The language in paragraph (c) page 82 of the bill is very clear and specific. The one thing that it does do, which I think is very important, is that when the next fiscal year comes around, if it is necessary to extend the provisions of this bill through the medium of additional appropriations, that authorization has to be obtained, and that means it will come before the Committee on Foreign Affairs. In that way a regular standing committee of the House will have original jurisdiction, whereas if that language that the Committee has carefully worked out is not in the bill, only the Committee on Appropriations of the House would have original jurisdiction. I think on such a tremendous undertaking of this kind,

all of us want to have the powers of our country used effectively, whether one is for the bill or against it. Nobody's patriotism in this body can be impugned. We may have an honest disagreement as to judgment, but whatever bill goes through, all of us want to see the results of the bill used effectively in order to bring about peace and to meet the challenge that atheistic communism is giving to the rest of the world, and in the first instance to those countries who are a part of the western civilization.

It seems to me that the Committee on Foreign Affairs has considered this particular question well. The one important thing that addresses itself to me, looking into the future, into the next fiscal year, is that when additional appropriations are sought, that first there has to be an authorization. That means that the Committee on Foreign Affairs, in addition to the Committee on Appropriations, will retain original jurisdiction over the hearings, the consideration, and the reporting of necessary legislation to the House.

Mr. MUNDT. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from South Dakota.

Mr. MUNDT. That was done deliberately, because under the provisions of the bill the Foreign Affairs Committee would hold public hearings and the country as a whole would have an opportunity to view the efficacy of this program the next time authorization is up for consideration. On the other hand, our Appropriations Committee has the habit of holding its deliberations in secret sessions.

Mr. McCORMACK. I assumed that, and therefore the language of the committee, I think, is best. It goes to the question of administration. I want to stress to the executive branch of the Government that, when this bill is enacted into law, it be administered right. Congress intends that it be administered in a dynamic manner; that there is to be no appeasement in carrying out the purposes of this bill. As a matter of fact, if I had my way about it, I would have as few career men in connection with the administration of this law as possible; to bring in fresh minds; to bring in men who realize what the purpose of the bill is, men not tied up with diplomatic relationships that they have been associated with for years. That is why I think the language of the committee bill is all-important. It is an additional check on the administration and by the Committee on Foreign Affairs that considers authorization legislation.

For those reasons, I think the recommendations of the committee ought to be approved and adhered to, and the amendment offered by our good friend from California it would be very unwise to adopt.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. PHILLIPS].

The amendment was rejected.

The Clerk read as follows:

#### BILATERAL AND MULTILATERAL UNDERTAKINGS

SEC. 115. (a) The Secretary of State, after consultation with the Administrator, is authorized to conclude, with individual participating countries or any number of such

countries or with an organization representing any such countries, agreements in furtherance of the purposes of this title. The Secretary of State, before an Administrator or Deputy Administrator shall have qualified and taken office, is authorized to negotiate and conclude such temporary agreements in implementation of subsection (b) of this section as he may deem necessary in furtherance of the purposes of this title: *Provided*, That when an Administrator or Deputy Administrator shall have qualified and taken office, the Secretary of State shall conclude the basic agreements required by subsection (b) of this section only after consultation with the Administrator or Deputy Administrator, as the case may be.

(b) The provision of assistance under this title results from the multilateral pledges of the participating countries to use all their efforts to accomplish a joint-recovery program based upon self-help and mutual cooperation as embodied in the report of the Committee of European Economic Cooperation signed at Paris on September 22, 1947, and is contingent upon continuous effort of the participating countries to accomplish a joint-recovery program through multilateral undertakings and the establishment of a continuing organization for this purpose. In addition to continued mutual cooperation of the participating countries in such a program, each such country shall conclude an agreement with the United States in order for such country to be eligible to receive assistance under this title. Such agreement shall provide for the adherence of such country to the purposes of this title and shall, where applicable, make appropriate provision, among others, for—

(1) promoting industrial and agricultural production in order to enable the participating country to become independent of extraordinary outside economic assistance; and submitting for the approval of the Administrator, upon his request and whenever he deems it in furtherance of the purposes of this title, specific projects proposed by such country to be undertaken in substantial part with assistance furnished under this title, which projects, whenever practicable, shall include projects for increased production of coal, steel, transportation facilities, and food;

(2) taking financial and monetary measures necessary to stabilize its currency, establish or maintain a valid rate of exchange, to balance its governmental budget as soon as practicable, and generally to restore or maintain confidence in its monetary system;

(3) cooperating with other participating countries in facilitating and stimulating an increasing interchange of goods and services among the participating countries and with other countries and cooperating to reduce barriers to trade among themselves and with other countries;

(4) making efficient and practical use, within the framework of a joint program for European recovery, of the resources of such participating country, including any commodities, facilities, or services furnished under this title, which use shall include, to the extent practicable, taking measures to locate and control, in furtherance of such program, assets, and earnings therefrom, which belong to the citizens of such country and which are situated within the United States, its Territories and possessions;

(5) facilitating the transfer to the United States by sale, exchange, barter, or otherwise for stock-piling purposes, for such period of time as may be agreed to and upon reasonable terms and in reasonable quantities, of materials which are required by the United States as a result of deficiencies, or potential deficiencies in its own resources, and which may be available in such participating country after due regard for reasonable requirements for domestic use and commercial export of such country;



(6) placing in a special account a deposit in the currency of such country, in commensurate amounts and under such terms and conditions as may be agreed to between such country and the Government of the United States, when any commodity or service is made available through any means authorized under this title, and is furnished to the participating country on a grant basis. Such special account, together with the unexpended portions of any deposits which may have been made by such country pursuant to section 6 of the joint resolution providing for relief assistance to the people of countries devastated by war (Public Law 84, 80th Cong.) and section 5 (b) of the Foreign Aid Act of 1947 (Public Law 389, 80th Cong.), shall be held or used within such country for such purposes as may be agreed to between such country and the Administrator in consultation with the National Advisory Council on International Monetary and Financial Problems, and the Public Advisory Board provided for in section 107 (a) for purposes of internal monetary and financial stabilization, for the stimulation of productive activity and the exploration for and development of new sources of wealth, or for such other expenditures as may be consistent with the purposes of this title, including local currency administrative expenditures of the United States incident to operations under this title, and under agreement that any unencumbered balance remaining in such account on June 30, 1952, shall be disposed of within such country for such purposes as may, subject to approval by act or joint resolution of the Congress, be agreed to between such country and the Government of the United States;

(7) publishing in such country and transmitting to the United States, not less frequently than every calendar quarter after the date of the agreement, full statements of operations under the agreement, including a report of the use of funds, commodities, and services received under this title;

(8) furnishing promptly, upon request of the United States, any relevant information which would be of assistance to the United States in determining the nature and scope of operations and the use of assistance provided under this title;

(9) recognizing the principle of equity in respect to the drain upon the natural resources of the United States and of the recipient countries, and (a) providing for a future schedule of availabilities to the United States for future purchase and delivery of a fair share of strategic materials at world-market prices so as to protect the access of United States industry to an equitable share of such materials either in percentages of production or in absolute quantities from the territories or possessions of the participating countries, and (b) agreeing to negotiate suitable protection for the right of access for United States enterprise in the development of such materials on terms of treatment equivalent to those afforded to the nationals of the country concerned, and (c) providing an agreed schedule of increased production of such materials where practicable in the territories or possessions of such participating countries and for delivery of an agreed percentage of such increased production in repayment on a long-term basis of grants or loans made by the Administrator to such countries.

(10) submitting for the decision of the International Court of Justice or of any arbitral tribunal mutually agreed upon any case espoused by the United States Government involving compensation of a national of the United States for governmental measures affecting his property rights, including contracts with or concessions from such country.

(c) Notwithstanding the provisions of subsection (b) of this section, the Administrator, during the 3 months after the date of enact-

ment of this act, may perform with respect to any participating country any of the functions authorized under this title which he may determine to be essential in furtherance of the purposes of this title, if (1) such country has signified its adherence to the purposes of this title and its intention to conclude an agreement pursuant to subsection (b) of this section, and (2) he finds that such country is complying with the applicable provisions of subsection (b) of this section: *Provided*, That, notwithstanding the provisions of this subsection, the Administrator may, through June 30, 1948, provide for the transfer of food, medical supplies, fibers, fuel, petroleum and petroleum products, fertilizer, pesticides, and seed to any country of Europe which participated in the Committee of European Economic Cooperation and which undertook pledges to the other participants therein, when the Administrator determines that the transfer of any such supplies to any such country is essential in order to make it possible to carry out the purposes of this title by alleviating conditions of hunger and cold and by preventing serious economic retrogression.

(d) The Administrator shall encourage the joint organization of the participating countries referred to in subsection (b) of this section to insure that each participating country makes efficient use of the resources of such country, including any commodities, facilities, or services furnished under this title, by observing and reviewing such use through an effective follow-up system approved by the joint organization.

(e) The Administrator shall encourage arrangements among the participating countries looking toward the largest practicable utilization of manpower available in any of the participating countries in furtherance of the accomplishment of the purposes of this title. Such utilization of manpower shall include integration into the various recovery programs of the participating countries of a fair share of displaced persons who are the responsibility of the International Refugee Organization, under reasonable terms to be established in cooperation with that organization, in number and under conditions negotiated by the Administrator with the respective participating countries. The Administrator will request the Secretary of State to seek to obtain the agreement of those countries concerned that such capital equipment as is scheduled for removal as reparations from the three western zones of Germany be retained in Germany if such retention will most effectively serve the purposes of the European recovery program.

(f) It is the understanding of the Congress that, in accordance with agreements now in effect, prisoners of war remaining in participating countries shall, if they so freely elect, be repatriated prior to January 1, 1949.

Mr. VORYS. Mr. Chairman, I ask unanimous consent to return to page 67, line 21, for the purpose of offering a quite technical amendment which has been redrafted and is now agreeable to all parties.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. VORYS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. VORYS:

On page 67, line 21, after "when issued" insert the following: "shall constitute obligations of the United States and moneys due or to become due under the contracts to which they relate shall be assignable under the Assignment of Claims Act of 1940, and."

Page 67, line 25, following "countries" insert "or by other persons or organizations."

Mr. HOFFMAN. Mr. Chairman, will the gentleman yield?

Mr. VORYS. I yield.

Mr. HOFFMAN. Mr. Chairman, yesterday a certain amendment was offered and was defeated. I understand now that this amendment is being offered in lieu of the one that was defeated yesterday.

Mr. VORYS. That is correct.

Mr. HOFFMAN. The language has been corrected, and it is now what the General Accounting Office and the other agencies want, is that correct?

Mr. VORYS. That is correct.

Mr. HOFFMAN. This amendment having the support of the administration and of the committee, I want to approve the amendment if I may.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio [Mr. VORYS].

The amendment was agreed to.

Mr. COUDERT. Mr. Chairman, I offer an amendment which is at the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. COUDERT: On page 87, line 2, insert after "country" the following: "other than alien residents of the United States who either have made declarations of intention to become citizens of the United States or have been lawfully admitted for permanent residence."

Mr. COUDERT. Mr. Chairman, this is something of an anticlimactic amendment in view of the wider importance of the two amendments that we have just considered and acted upon, but nothing could be of greater importance to the people involved. No amendment could be more important to the few hundreds or few thousands of individuals whose very livelihood and whose stake in life and existence in the United States may depend almost entirely upon the acceptance of this amendment.

Mr. MUNDT. Mr. Chairman, will the gentleman yield?

Mr. COUDERT. I yield.

Mr. MUNDT. I think it is quite clear what the gentleman has in mind concerning these people insofar as the first part of his amendment is concerned.

Mr. COUDERT. Mr. Chairman, I cannot yield further, except for a question.

Mr. MUNDT. I am trying to clarify the gentleman's amendment to see if the Committee can accept it.

Mr. COUDERT. I appreciate that, but of course the gentleman will realize the time is very short.

Mr. MUNDT. I am sorry, but of course it will take a few words for me to do that. I think we understand what the gentleman has in mind when he says he would make this exemption available for foreigners in this country who have qualified or have started the process of taking out citizenship papers. But you have another conjunctive clause there which is not clear to the Committee. What do you mean by residents who are legally in this country but who are not in process of attaining citizenship?

Mr. COUDERT. I mean those foreigners who, taking legal and proper advantage of our immigration laws, have come here under a quota with a legal



visa entitling them to permanent residence and who are entitled to make application for citizenship.

Mr. MUNDT. But they have not yet started the process, is that correct?

Mr. COUDERT. May I say to the gentleman that as I understand the immigration law, it is not necessary for a legally admitted alien to file a declaration of intention on the date of his arrival. He need not file for 3 years, and 2 years thereafter he can apply for his final papers.

Mr. MUNDT. The gentleman's amendment is then establishing an escape clause and a cyclone cellar for foreigners who do not think enough of this country to even apply for citizenship, and I shall oppose that part of the gentleman's amendment.

Mr. COUDERT. Mr. Chairman, there are involved in this amendment thousands upon thousands of foreigners who are in this country legally, who have come here permanently to stay and who have cut all their ties with the country of their origin. They may be married to American citizens. They may have businesses in the United States and yet their earnings or their assets could be confiscated under this bill. They may have property in the United States which would be confiscated under this bill. These people pay precisely the same taxes that you and I pay and every other American pays to provide the money for relief programs and other things.

Mr. JOHNSON of California. Mr. Chairman, will the gentleman yield?

Mr. COUDERT. I yield.

Mr. JOHNSON of California. Does your amendment exclude those who are here temporarily? For instance, like teachers in the Army?

Mr. COUDERT. It does. This does not protect any alien who is not here under a permanent quota visa, so as to be legally entitled to permanent residence in the United States.

Mr. JAVITS. Mr. Chairman, will the gentleman yield?

Mr. COUDERT. I yield.

Mr. JAVITS. I was disquieted by the same thing in the committee, but I do not believe administratively it will work out as seriously as the gentleman believes. I think the gentleman should consider very seriously the suggestion made that he eliminate the residence factor and rely upon the citizenship factor, as the committee in that case is likely to accept the amendment.

Mr. BROOKS. Mr. Chairman, will the gentleman yield?

Mr. COUDERT. I yield.

Mr. BROOKS. Is this an immigration amendment? Is this to bring these people in, or what is it?

Mr. COUDERT. These are people who are presently living in the United States, who are entitled to become citizens, whose property would be confiscated by the United States or their home country, under the operation of this law.

Mr. BROOKS. How is it germane to a foreign-aid bill?

Mr. COUDERT. Because there is a provision here that the property of aliens in the United States shall be used for the purposes of this program, which

means it shall be taken away from them by confiscation.

Mr. JOHNSON of California. And they are all quota immigrants?

Mr. COUDERT. They are all quota immigrants, so far as this amendment is concerned.

Mr. JOHNSON of California. That is the important thing. They are under the quota, so that they are entitled to stay here.

Mr. COUDERT. Precisely.

The CHAIRMAN. The time of the gentleman from New York [Mr. COUDERT] has expired.

Mr. MUNDT. Mr. Chairman, I ask unanimous consent that all debate on this amendment, and all amendments thereto, close in 15 minutes, the last 5 minutes to be reserved for the committee.

The CHAIRMAN. Is there objection to the request of the gentleman from South Dakota?

Mr. TABER. Well, I hope the gentleman will not try to do that. I think this amendment should be explained.

The CHAIRMAN. Is there objection?

Mr. ROGERS of Florida. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I have sat here for the duration of this debate. I more or less find myself in the position of Rabbi Ben Ezra, that poem written by Browning, and I am sure the body politic who has heard this discussion or who has read it in the papers is in that same condition.

I desire to quote to you this stanza from this poem:

Now, who shall arbitrate?  
Ten men love what I hate,  
Shun what I follow,  
Slight what I receive;  
Ten, who in ears and eyes  
Match mine: we all surmise,  
They this thing, and I that:  
Whom shall my soul believe?

It is a tragedy that we cannot have unity and harmony at this time, in this critical period in the history of this country and of the world. If there ever was a time when we needed harmony and unity and cooperation it is now. Yet the leaders of this Nation in the law-making body of this Nation cannot agree on a program dealing with the situation as we find it now.

It is my thought this plan is in the general welfare and the general national interest of this country. I say that because of the fact that we have as proponents of this measure the leaders from the military, the leaders from the State, the economic leaders, and the political leaders, and the labor leaders; and practically every one who went before the Foreign Relations Committee favored this bill.

If we do not pass it, what is going to be the condition of this country? I think that it means nearer to war. Just consider the action of Russia. She has taken Czechoslovakia, she is in the process of taking Finland, and I see in the paper this morning she is dealing with the Netherlands. The only thing that is holding her back, I believe, is her belief that America is going to get behind Western Europe, economically at least. When I was over in Europe this summer, the talk among the people in Germany was that the Russians were sending out

propaganda and saying to the German people: "You might as well come on and be with us. You watch the Americans. Just give them a little time. They will desert you. They will build you up to a certain point, but if it costs them anything in dollars and cents they will desert you. They may send boys over here to sacrifice their lives, but they are more interested in the shekels than they are in the manhood of their country."

And I say to the Membership of this House that if this sum of \$5,300,000,000 could be substituted in lieu of the men we would have to send over there in case of war, and we are going to have to send them unless we can get the cooperation of the nations that have gotten together and say: "We are going to cooperate with you. We need financial aid, we need economic assistance. If you will give us that, we will go down the line for you, and we will kill communism and we will help you build up democracy, and liberty, and the freedom that you Americans love."

Mr. TABER. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, I have not had time since this amendment was offered to make a detailed and thorough study of this language and the amendment, but what I am afraid of is this: When I was across the water last year I found this situation existing in Greece, and France, and other places, that enormous numbers of the rich in those places had gotten their assets out of their own country and were not using those assets for the rehabilitation of those countries. I would hate to see any effort that might properly and legitimately be made by this country to crack that situation or give them a chance to really be pressured into helping rehabilitate their own countries out of which they really made their own money. I should like to ask the committee what effect this amendment might have along those lines?

Mr. MUNDT. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from South Dakota.

Mr. MUNDT. I expect to follow the gentleman on the floor to discuss that in detail. This would open one additional cyclone cellar into which foreign capital might go in hiding to attempt to escape taxes at home and abroad. They could come over here and continue to escape from taxation. That is why I opposed the amendment and suggested to the author of it that it might be revised so as to protect certain individuals by limiting its exemption to those who have expressed the intention of becoming American citizens and who have actually made application for citizenship in this country.

Mr. TABER. Mr. Chairman, if the amendment is adopted I hope it will be so modified that it will not create a situation such as I am fearful will result from the situation that I found while I was over there last year. As we get into it I hope that action may be taken that will correct it, if the amendment is adopted.

Mr. KEATING. Mr. Chairman, will the gentleman yield?



Mr. TABER. I yield to the gentleman from New York.

Mr. KEATING. I call the attention of the gentleman to the fact that regardless of this amendment, I have an amendment at the desk to this same section which tightens it up along the lines that the gentleman has mentioned by including among the controls which are to be exercised over the assets of these foreign nationals in this country the establishment of conditions for guaranteeing that those assets be held by the United States as security against governmental credits by this country.

Mr. TABER. I have found the situation in several places where their rehabilitation could be promoted very decidedly if the folks who really were citizens of the country were making a contribution in investments in those countries' merchant marine and trading operations that you would naturally expect them to make. I hope nothing will be done which will prevent an effort to make those people pay something to carry their own burden.

Mr. KEATING. I agree with the gentleman.

The CHAIRMAN. The Chair recognizes the gentleman from South Dakota [Mr. MUNDT].

Mr. MUNDT. Mr. Chairman, this is a very technical phase of the bill with which our committee struggled day after day and hour after hour. We are not sure now we have a satisfactory answer. On the other hand, I am quite positive that the suggestion made by the gentleman from New York is not a satisfactory answer because we discussed that in committee. He is trying to do one thing with which I have considerable sympathy. He is trying to find some way to protect those foreigners who have come to this country under the quota system legitimately, intending eventually to become American citizens, from having their resources in any way recaptured or utilized by the government which they have left. If it is his desire to do that, then he has gone too far by saying that anybody who is in this country legally can have that opportunity. When you go that second step, of course, you provide a great haven over here for rich Greeks, Chinese, Italians, Germans, British, or anybody else to come here with their swag and hide it from our tax collector and from their own as well. I shall resist such efforts.

Mr. COUDERT. Mr. Chairman, will the gentleman yield?

Mr. MUNDT. I yield to the gentleman from New York.

Mr. COUDERT. Will the committee accept the amendment if I confine this to those who have within a reasonable time filed a declaration of intention to become a citizen?

Mr. MUNDT. As far as I am concerned, I would be willing to accept it if the gentleman restricted it to those who have already made application for citizenship. By saying "a reasonable time" that would merely create another Cherokee strip and would in effect provide an incentive so that it would be cheaper to become an American citizen than to remain a Greek, a Frenchman, or an

English lord. I want to help the fellow who is over here legitimately, who in good faith came over here and who has declared his intention to become an American citizen.

Mr. COUDERT. Will the gentleman accept 3 months to give those who have bona fide intentions to become citizens but heretofore have neglected to make application?

Mr. MUNDT. It seems to me that you should include in your amendment only those who have made a declaration of intention to become a citizen, those only who have actually applied for citizenship in the United States.

Mr. MILLER of Connecticut. Mr. Chairman, will the gentleman yield?

Mr. MUNDT. I yield to the gentleman from Connecticut.

Mr. MILLER of Connecticut. The difficulty is, if I may suggest it, that up until very recently immigrants coming from certain countries could not even file their first papers under regulations. That has just recently been lifted. During the war they could not apply.

Mr. MUNDT. Yes.

Mr. JOHNSON of California. Mr. Chairman, will the gentleman yield?

Mr. MUNDT. I yield to the gentleman from California.

Mr. JOHNSON of California. My recommendation is that you put in a specific date when they must apply, and that should be now and not in the future. Put in some date like March 31 or June 30 or April 1, some date like that.

Mr. MUNDT. May I say to the gentleman that he should address his question to the gentleman from New York, because personally I am inclined to be against the whole idea. I feel that the fellow who has been a Greek or an Italian all his life owes a little something to his kinfolk back there or to his country, even though it has been demolished by war. I am not willing to agree to make it possible for him to come over here with his wealth, but I have agreed to compromise to say to those who have declared their application for American citizenship, we will make this concession. That is as far as I want to go and I am a bit reluctant to go even as far as that. I do, however, see merit in giving special consideration to these cases.

Mr. JAVITS. Mr. Chairman, will the gentleman yield?

Mr. MUNDT. I yield to the gentleman from New York.

Mr. JAVITS. I would just like to say that I join with the gentleman in agreeing to this amendment if the gentleman will change it as requested.

Mr. COUDERT. Mr. Chairman, if the gentleman will yield, I ask unanimous consent to alter the amendment by limiting it to alien residents who have made their declaration of intention to become citizens, and I offer the amendment as so amended.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read as follows:

Modified amendment offered by Mr. COUDERT: Page 87, line 2, insert after the word "country" the following: "other than alien

residents of the United States who either have made declarations of intention to become citizens of the United States."

Mr. BLOOM. Mr. Chairman, will the gentleman yield?

Mr. MUNDT. I yield to the gentleman from New York.

Mr. BLOOM. In talking about declarations, that means nothing in this country. An immigrant can come here, and the next day, if he came in legally, he is a declarant, but he is not a citizen. So, I do not think that this means anything at all.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. COUDERT].

The amendment was rejected.

Mr. VORYS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. VORYS: Page 86, line 25, delete the word "control" and substitute the word "identify."

Mr. VORYS. Mr. Chairman, this is an agreed committee amendment to make it clear that we do not insist on other countries controlling the assets of their citizens, but that they identify them so that they may proceed along the principles set forth in other parts of this section.

Mr. KEATING. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. KEATING. I have an amendment to this section which I desire to offer as a substitute for the committee amendment. Is it proper to offer it at this time?

The CHAIRMAN. If the gentleman has an amendment, he may offer it as a substitute when the gentleman from Ohio has concluded.

If the amendment of the gentleman from New York is a substitute for the amendment which the gentleman from Ohio has offered, it should be offered before the first amendment is disposed of.

Mr. KEATING. My purpose in offering it as a substitute for the committee amendment is that my amendment tends to strengthen rather than weaken section 4. My analysis of what the gentleman from Ohio seeks to do in changing the word "control" to "identify" is that that is rather to weaken it. Therefore, it seems to me it is appropriate to offer this amendment as a substitute for the committee amendment.

Mr. VORYS. Mr. Chairman, I of course cannot discuss the gentleman's amendment until I know what it is, but may I state to the Committee of the Whole that our committee has worried and fretted over this section and we are all somewhat dissatisfied with it, as to whether it should be a strengthened or weakened, and how much, but one thing that we could agree upon was that we did not want to authorize control. We thought that identification of the assets in this country was a sound principle. Therefore, all I am in a position to do now is to urge the adoption of the committee amendment.

Mr. KEATING. Mr. Chairman, I offer my amendment as a substitute for the Vorys amendment.



The Clerk read as follows:

Amendment offered by Mr. KEATING as a substitute for the Vorys amendment: On page 87, line 4, strike out the semicolon, insert a comma, and add the following: "including but not limited to the establishment of satisfactory conditions for guaranteeing that identifiable assets of nationals of such country located in the United States, its Territories and possessions, may be held by the United States as security against any governmental credits from the United States to such country."

The CHAIRMAN. The Chair will advise the gentleman from New York that the amendment as read obviously is not a substitute for the amendment offered by the gentleman from Ohio, which is on page 86. The gentleman's amendment is on page 87. The gentleman may offer his amendment later as an independent amendment.

The question is on the amendment offered by the gentleman from Ohio [Mr. VORYS].

The amendment was agreed to.

Mr. VORYS. Mr. Chairman, I offer a further amendment.

The Clerk read as follows:

Amendment offered by Mr. VORYS: On page 87, line 6, after "stock-piling", insert "or other."

Mr. VORYS. Mr. Chairman, the purpose of this amendment is to make it clear that scrap iron, which is a strategic material, does not necessarily have to be stock piled when it is brought back to this country under agreements with other nations. It will be needed for use immediately in our own economy. By merely putting in the words "or other" we make it clear that scrap iron is considered a strategic material and that it does not necessarily have to be stock-piled when returned to this country.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio.

The amendment was agreed to.

Mr. VORYS. Mr. Chairman, I offer a further amendment.

The Clerk read as follows:

Amendment offered by Mr. VORYS: On page 89, line 10, after the comma, strike out the word "and" and insert the word "by" and on line 11, after the word "of", insert the word "minimum." On line 19 after the word "enterprise", insert the following words "as defined in paragraph (iii) of subparagraph (3) of section 111 (b)."

Mr. MUNDT. Mr. Chairman, these are amendments to perfect the language in the provision for acquisition of strategic materials.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio.

The amendment was agreed to.

Mr. MUNDT. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MUNDT: On page 86, line 25, after the word "control", insert "and put into active use."

Mr. MUNDT. Mr. Chairman, I am particularly glad to offer this amendment, because this is one of those times which are becoming increasingly rare, I regret to say, when I am in complete agreement with the Department of State

which looks with favor upon my amendment.

If you will look on page 86 of the bill, you will note the handicraft that we have worked upon this important part of the bill. I call your attention to subsection 4 as it now reads. We have been talking about these hidden assets in this country, and the great hoards of money which it is alleged certain French people and certain Spaniards and certain Greeks and Chinese have in America. We changed the language, you will recall, on the bottom of page 86. It no longer says that we shall take measures to locate and control these assets in furtherance of the program. I share, with the members of the Committee the feeling we should not set an example in this democratic country of controlling the assets of private citizens. So we backed up, and as usual, we backed away too far. Look at what we have done. We took out the word "control" and put in the word "identify." So now with all the majesty of this great power of Congress, we insist that the foreign governments locate and identify the assets. But that is all. They do not have to use them. They do not have to tax them. Nothing needs to be done about them, but simply to locate them and identify them.

We have taken away entirely the sum and substance of what the Senate wrote in its legitimate desire to make sure that the hidden wealth of foreigners in this country be utilized in furtherance of this program to avoid the very thing that the gentleman from New York [Mr. TABER], was talking about a few minutes ago. So with the approval of the Department of State and with my own full support and at my own suggestion, I have offered the amendment which would make this language read as follows at the bottom of the page: "To the extent practicable taking measures to locate, control, and put into active use" the earnings from the assets of these nationals. Therefore, these assets which are now hidden away under this legislation, if they are identified as I propose by this amendment, will be put to use helping to finance the recovery of the country to which such national might belong.

Mr. KEE. Mr. Chairman, will the gentleman yield?

Mr. MUNDT. I yield.

Mr. KEE. The gentleman was reading section 4. That section starts out with the words "making efficient and practical use within the framework of the program." Therefore the language of the gentleman's amendment is unnecessary because the words "making efficient and practical use" are already in the bill.

Mr. MUNDT. May I point out that those words refer to commodities, services, and facilities provided under the title and that the use which I have now injected into the bill at this point refers specifically to money, resources, and wealth which is located and identified.

Mr. JOHNSON of California. Mr. Chairman, will the gentleman yield?

Mr. MUNDT. I yield.

Mr. JOHNSON of California. If a man has money and has a stake in an industrial corporation, would that be

using the money in accordance with your amendment? Would that be such a use as you would contemplate when you use the word "use"?

Mr. MUNDT. That would depend entirely upon the law of the land to which that citizen belongs. If they have a law which taxes incomes, he would have to pay his pro rata share as a taxpayer to France, for example, to help finance the recovery of France. In other words, this compels in brief the nationals of other countries who are living in the United States to share with the citizens of the United States the cost of bringing about the recovery of their own country. It is as simple and as logical and as persuasive as that.

Mr. KEATING. Mr. Chairman, will the gentleman yield?

Mr. MUNDT. I yield.

Mr. KEATING. I share entirely the viewpoint of the gentleman and the objective that I am sure he has in mind. I shall support the gentleman's amendment as I hope he will support mine when I seek to add at the end, a statement of exactly what we mean by this, namely, that if conditions can be established, they shall pledge those assets to this country as security for the obligations which this country incurs under this bill.

The CHAIRMAN. The time of the gentleman has expired.

Mr. CRAWFORD. Mr. Chairman, I take this time to inquire of the gentleman from South Dakota [Mr. MUNDT] as to the meaning of this language in lines 20 and 21:

Within the framework of the joint program for European recovery.

Suppose the gentleman's amendment is agreed to, what can the United States do with respect to these resources, unless it has the cooperation of the country of which the person involved is a citizen?

Mr. MUNDT. Nothing, of course. But may I advise the gentleman, we will have complete cooperation of the country involved, because no supplies, no commodities, no finances from the United States flow to any country under this legislation until an actual contract is written and signed. In that contract we can spell out precisely the type of conditions we desire to follow in utilizing these foreign assets.

Mr. CRAWFORD. Is the gentleman in a position to go so far as to emphatically state to this body that in this agreement which is to be effected between the United States and the affected country, that that country will agree to reach out and take over the dollar resources of their citizens in this country, under that language?

Mr. MUNDT. Many of the countries are very eager to utilize these assets of their nationals, but they need some assistance from us to help locate and identify them before liberating them so that they can have access to them.

Mr. CRAWFORD. Do you mean to say the international situation has disintegrated to the point where England, for instance, cannot locate assets in this country which belong to British subjects?



Mr. MUNDT. Some she can; some she cannot—many foreign nationals have become very adroit at concealing the assets they hold in the United States.

Mr. CRAWFORD. They rely upon this Congress, then, to do the dirty work?

Mr. MUNDT. Great Britain is not one of the biggest offenders in this category.

Mr. CRAWFORD. I would not absolve them from all blame.

Mr. MUNDT. Neither would I, they offend but not as much as nationals from some of the rest of these participating countries.

Mr. CRAWFORD. But you take the position that this language, "within the framework of the joint program for European recovery" is sufficiently broad to put us in a position to substantially force those other countries to join with us first in locating these hidden assets, and second, in putting them to use?

Mr. MUNDT. It is not a question of our authority. Certainly the authority is spelled out definitely in the bill.

Mr. CRAWFORD. Why would it be a matter of discussion and debate when the people of this country are being called upon to finance a program of this kind, and leave the citizens of other countries, who are to be the recipients of this aid, to pass us by, leaving the burden on the people of the United States?

Mr. MUNDT. Which is precisely why I offered my amendment. The gentleman should be in support of my amendment.

Mr. CRAWFORD. The gentleman causes me to doubt the efficacy of his amendment when he says these other things will be done if it is proper to do so.

Mr. MUNDT. That is why I put the amendment in, to make it possible for them to be done in a proper manner.

Mr. CRAWFORD. But your words of reservation make me doubt the efficacy of the amendment.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. MANSFIELD. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I ask unanimous consent that the amendment offered by the gentleman from South Dakota [Mr. MUNDT] be again read.

The CHAIRMAN. Is there objection to the request of the gentleman from Montana?

There being no objection, the Clerk again reported the amendment offered by Mr. MUNDT.

Mr. MANSFIELD. Mr. Chairman, I have opposed this amendment under a misapprehension. I was told that the word "control" had been stricken out. I find that in the amendment just read the word "control" is left in and that the section itself is further tightened by the use of the word "identify."

Mr. MUNDT. Mr. Chairman, will the gentleman yield?

Mr. MANSFIELD. I yield.

Mr. MUNDT. The word "control" was knocked out by an amendment and another substituted for it by action of the committee.

Mr. MANSFIELD. How long ago was that accomplished?

Mr. MUNDT. About 5 minutes ago.

Mr. MANSFIELD. I did not happen to be on the floor at that time; I was called out.

Mr. MUNDT. It was adopted by the committee.

Mr. MANSFIELD. I rose because of the elimination of the word "control." The gentleman from South Dakota will recall that in the Committee the use of the word "control" was discussed and that the committee by a majority vote decided to retain the word "control," because it would give us some means of being able to get hold of the assets held in this country by foreign nationals, so that those assets could be used in rehabilitating the countries from which the nationals came.

The gentleman will further recall that we had information in the committee that European nationals had in this country between two and three billions of dollars in money, that the Greeks themselves had some hundreds of millions of dollars, and that the Chinese likewise had similar amounts.

It is my belief, my very strong belief, that we should do everything we possibly could to make these foreign nationals who have these assets hidden away here bring them out into the open and use them for the rehabilitation of their own countries. I do not think all the money should come from the people of this country when the nationals of other countries have funds at their disposal.

Mr. MUNDT. That is precisely what my amendment proposes. That is why I was shocked when the Chair said the gentleman from Montana rose in opposition to my amendment, because I am sure it carries out precisely the intention expressed by him in the committee and that I knew he held. It requires them to put this money to use in behalf of their countries.

Mr. MANSFIELD. May I say to the distinguished gentleman from South Dakota that I appreciate his statement. I believe, however, that the word "identify" is not strong enough. I would prefer to retain the words "control and identify."

Mr. MUNDT. I also voted against the word "identify." The committee overruled us. That is why I am trying to put the other language in the bill to strengthen it more than the words "locate and identify" now define its scope.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. MANSFIELD. I yield to the distinguished gentleman from Michigan.

Mr. CRAWFORD. The gentleman has just informed us that information was submitted to the Committee that there was \$3,000,000,000 in one case and several hundred millions in other cases. Where did that information come from, if these countries cannot find out what their nationals have in the United States?

Mr. MANSFIELD. That was not definite information, I may say to the gentleman from Michigan, but it was estimates which were placed before our committee when this matter was under discussion.

Mr. CRAWFORD. By whom?

Mr. MANSFIELD. Offhand, I cannot recall exactly, but I believe it was furnished us by officials of the Treasury.

Mr. CRAWFORD. Yes; but by responsible officials certainly of this Government—the Federal Reserve, and the Treasury. They know and these governments know who has the assets here. They do not use them, however, but come here and ask the people of America to foot the bill.

Mr. MANSFIELD. The Secretary of the Treasury said they were trying to find means by which they could pry loose all these assets for use in some such program such as this.

Mr. KEATING. Mr. Chairman, will the gentleman yield?

Mr. MANSFIELD. I yield to the distinguished gentleman from New York.

Mr. KEATING. Those powers, if the gentleman will refer to page 77 of the hearings, were the National Advisory Council whose head is the Secretary of the Treasury.

Mr. CRAWFORD. And the Administrator of which is to go on the Advisory Council.

Mr. MANSFIELD. That is right.

Mr. FULTON. Mr. Chairman, I rise in opposition to the amendment.

The CHAIRMAN. The gentleman from Pennsylvania is recognized for 5 minutes.

Mr. FULTON. Mr. Chairman, I rise in opposition to the amendment because it strikes basically at the roots of private property in this country. Suppose you lived in a foreign country and had a bank account in which you had placed your life's savings. Now, suppose you are a nonresident of that country, you are a United States citizen. If you went to the bank after you had paid your taxes, and asked to withdraw your money and were told that you would not be allowed to because your government had taken it over and blocked it, that would be the totalitarian method used by totalitarian states. Those methods have been used by certain European countries.

If you use totalitarian methods by calling the resources of such participating countries in the United States the equivalent of the private property of its citizens, which this section does, you are then using just the same methods. You are then saying that you are a citizen of a country and your assets, your private property, are the assets of that country. Then if the country so wishes, you are saying in effect: "We will not proceed by the ordinary methods of taxation, but we will encourage by this section that outside country to take over the assets of their citizens which are private property for purposes that they could not be taken over in this country."

Under our Constitution private citizens are protected in their property rights without discrimination, and they should be protected whether aliens or citizens. Why in the name of heaven is the United States Government going to say to foreign governments: "Come in here and take over the private assets of your citizens by your own methods."

We should be able to let the participating countries identify and help them identify those assets, but we should not have the word "control" in the provision and allow foreign governments to come



into the United States and control the assets of anybody.

We want the rights of private property in this country, no matter who the private property belongs to, to be inviolate and under due process of United States laws. If you permit any minority to have its property taken by outside governments without due process of law in this country, the action must be done by the law of that country, not our country, and it is wrong. The outside country by the nature of things must come in and expropriate here in this country.

Believe you me, I am a Republican, and proud of it, and I hope neither my party nor the Democratic Party in this Congress will permit outside countries and governments to come in here under any pretext and expropriate a private citizen's property, whether he is a resident, an American citizen, or a foreign-born citizen living here.

Mr. JOHNSON of California. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I agree with what the last speaker said in part, but I think some of the foreigners are coming here with assets and sequestering them from taxation so far as their own country is concerned and also perhaps sequestering some property that should be taxable here. What I would like to know from the gentleman from South Dakota is this: What does he mean by putting the assets into use?

I want to give you a concrete case that came under my observation in 1944. I made a visit to the Westchester Country Club in New York during the war. To my surprise, in a big apartment, owned by that club, I learned that most of the people living there were foreigners. They were paying as high as \$1,000 a month for apartments, and, judging by the luxurious manner in which they lived, they must have had vast assets in banks. They had run away from their own country when the invading armies ran over them. Now, I do not want to mention the country or the particular racial strain. But if that money had been placed in American stocks or bonds would the gentleman from South Dakota [Mr. MUNDT] consider those assets as being put to use?

Mr. MUNDT. Obviously not, because it says "put them to use in furtherance of this program." Since the gentleman has asked the question may I say that it certainly does not mean confiscation. The strong argument put up by the gentleman from Pennsylvania does not apply to this legislation at all. It says "put into active use," not confiscate or commandeer.

Mr. JOHNSON of California. May I ask another question?

Mr. MUNDT. This puts into use the assets of those people.

Mr. JOHNSON of California. If we furnish that information to the foreign country and it had an income tax law, of course they would be allowed to levy a tax on that property or income. Is that correct?

Mr. MUNDT. That is correct.

Mr. JOHNSON of California. With that explanation, I think the amend-

ment is a good one. In other words, you want to take that property, that income, or those assets and subject it to the same obligation that our own people have to accept or that the individual in his own country would have to accept.

Mr. MUNDT. I could not have said it better. That is exactly right.

Mr. JOHNSON of California. And there would be no confiscation?

Mr. MUNDT. No confiscation whatsoever.

Mr. JOHNSON of California. The foreigner is subject to the ordinary government tax and other obligations?

Mr. MUNDT. The reason I did not feel satisfied with the word "control" is that I wanted some other word in there, because I was afraid that control might denote confiscation. That is why I proposed to use this language which says "identify and put into active use." That is the same as if they had their assets in Paris or Athens or somewhere else.

Mr. JOHNSON of California. In other words, the gentleman wants them to share the burden with us.

Mr. MUNDT. That is correct, and the payment of taxes, too.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of California. I yield to the gentleman from Michigan.

Mr. CRAWFORD. Supposing Mr. A, a citizen of Paris, has \$100,000 in currency in a lockbox in the National City Bank of New York, known to the officials of this country and known to the officials of the Government of France. What are you going to do with that \$100,000?

Mr. JOHNSON of California. That is what I would like to know. Will the gentleman listen to this, please? The gentleman from Michigan posed this question which I would like to have answered. Assuming that a Parisian over here had \$100,000 in a bank in New York, in currency, which might be subject to tax, say, in New York, or subject to some tax over in France, and we find that out and turn the information over to appropriate French or American officials, what would happen, in the gentleman's opinion, under that situation?

Mr. MUNDT. He being a citizen of a foreign country would have to pay the tax that any foreigner would pay his own government.

Mr. JOHNSON of California. Suppose he refuses. What do we do to implement that obligation to his own country? Would we open the lockbox and take the amount of the tax out?

Mr. MUNDT. It would go through a regular procedure. It could be worked out in various ways. It would not be confiscation or taking it away. We agree to cooperate with these foreign nations and help them to tax their nationals who have fled to this country with vast amounts of wealth in order to dodge their local tax responsibility. We agree to aid foreign governments "to put into active use" the assets their nationals have in this country.

Mr. JOHNSON of California. You recognize his right to the \$100,000 and just permit the taking of the amount that he owes to his own country for taxes, or to our country, if this created an obligation to our Government.

Mr. MUNDT. He would pay exactly the same amount as if he kept his money at home in his own country.

Mr. JOHNSON of California. And that would be under contract between France and this country.

Mr. MUNDT. That is right.

Mr. GILLIE. Mr. Chairman, I move to strike out the last word.

Mr. MUNDT. Mr. Chairman, if the gentleman will yield, I ask unanimous consent that all debate on this amendment close in 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from South Dakota?

There was no objection.

Mr. GILLIE. Mr. Chairman, I take the floor at this time to make inquiry concerning one of the important aspects of this program, and that is farm machinery. I am particularly interested in this, because we have been holding hearings in the Agriculture Committee for several months on the long-range agricultural program—that includes farm machinery. When our committee was out West holding hearings last week, several witnesses, farmers and big ranchers, spoke to the committee asking about farm machinery. They talked about their wire-bound machinery and wondered whether they were going to get new machinery this year so that they could speed up their farm operations.

I would like to ask the gentleman from Nebraska [Mr. STEFAN], a member of the Appropriations Committee, how much farm machinery is going to be shipped under this ERP program. I understand there is quite a bit of it that is going to be shipped; can we afford to do that?

Mr. STEFAN. According to the testimony before the Deficiency Committee by the Export Control Division of the Department of Commerce, the first-year operation of ERP will require one-fourth of all the production of farm machinery for exportable purposes. If I was a farmer today, I would start saving up my baling wire and save every piece of machinery in existence on the farm. This information comes directly from the Export Control Division of the Department of Commerce, and the testimony will be in the hearings that are available today on the first deficiency bill, which will follow this bill. If the gentleman from Indiana wants the official information from the Export Control Division of the Department of Commerce, I will read you briefly:

Farm machinery: Requirements for farm machinery at home are currently in excess of the industry's ability to supply. Shortage of materials and components such as sheet steel, power transmission chain, bearings, wheels, radiators, and Diesel engines are causing considerable loss in production. Domestic shortages will be intensified by demands for farm machinery under the European recovery program. In its first year of operation the European recovery program will demand nearly one-fourth of our production annually. Demand for Diesel-powered crawler tractors will be especially heavy, and it is greater than the industry can meet unless production can be greatly increased or the supply of United States farmers drastically curtailed.

They also state in their official justification that unless the producer in Amer-



ica can produce more farm machinery or unless the American farmer voluntarily decides not to use any more machinery, he will just not have enough to produce the food he is expected to produce during the next year.

Mr. BREHM. Mr. Chairman, will the gentleman yield?

Mr. GILLIE. I yield to the gentleman from Ohio.

Mr. BREHM. That statement being true, why have the Farm Bureau and the Grange in the congressional district which I represent requested me to support this program?

Mr. GILLIE. I am sure I cannot answer the gentleman's question.

This morning you heard the gentleman [Mr. O'HARA] make reference about tractors that his people in Minnesota wanted to get. He has been trying for 6 months to get a tractor. If we are going to have the same trouble getting machinery we had during the war our farmers are in for a lot of trouble before we can produce enough for our people at home and for the people abroad.

Mr. BREHM. Evidently the farm interests believe the American know-how can solve that problem and produce enough machinery for the American farmer as well as provide for the farmers abroad to help themselves. I think if that were not true the farm organizations in my district would not be in favor of this program.

Mr. GILLIE. We have the know-how, but we do not have the steel to manufacture the implements. This ERP assignment for farm implements will be another severe problem on our farm economy.

The CHAIRMAN. The question is on the amendment offered by the gentleman from South Dakota [Mr. MUNDT]. The amendment was agreed to.

Mr. KEATING. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. KEATING: On page 87, line 4, strike out the semicolon, insert a comma, and add the following: "including but not limited to the establishment of satisfactory conditions for guaranteeing that identifiable assets of nationals of such country located in the United States, its Territories and possessions, may be held by the United States as security against any governmental credits from the United States to such country."

Mr. VORYS. Mr. Chairman, I ask unanimous consent that all debate on this amendment close in 10 minutes, the last 5 minutes to be reserved to the committee.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. KEATING. Mr. Chairman, we have been struggling with this section 4, and I do appreciate the fact that it is a troublesome problem. I am happy over the extent to which the committee has gone toward adopting the viewpoint I expressed in the hearings. The Committee of the Whole has further tightened up this section. But it seems to me that we ought to do what at least many of us I am sure have in mind, and that is provide that these assets of for-

eign nationals which have been brought to this country, as referred to by the gentleman from New York [Mr. TABER], in many cases in order to escape taxation or other subjection to control in their own countries, shall be pledged to this country in partial security for our advances.

The amendment I now suggest merely provides that satisfactory conditions shall be established for guaranteeing that these assets may be held as security, in order that they may be the first source of income to which each participating country will look before it and we ask our own hard-pressed taxpayers to dig down in their pockets and suffer deductions from their take-home pay to help in meeting the crisis facing that country. The fact that it is also a world crisis, impinging directly upon the lives, liberties, and destinies of every man, woman, and child in America, in no wise lessens our obligation to ensure that every reasonable and legitimate step be taken to minimize the burden on our own people.

On page 77 is set forth a table prepared by the National Advisory Council headed by the Secretary of the Treasury showing the assets in this country of the nationals of those countries who participate in this program. They are \$4,930,000,000. It is true that some \$900,000,000 of that money is already up for a loan, but that loan is about \$150,000,000.

My point is that if satisfactory conditions may be established—and perhaps to that extent my amendment does not go far enough, but it was so worded in the hope that it might have some support by at least some of the members of the Foreign Affairs Committee—then the assets of, let us say, French nationals in this country shall be pledged to the French loan or assets of British nationals to the British loan. Certainly, it is possible to work out a plan whereby this can be done in some fair and legal manner.

It seems to me that by simply saying, as we have now, that we will locate and identify and put into active use these assets, we have not been sufficiently definite in designating the steps which we should take.

At least, I feel we should pass upon this question and determine here and now whether we are going to insist that the Frenchmen who have taken their assets out of France and brought them here shall bear the primary weight in meeting their nation's obligations in order to restore and rehabilitate the Republic of France or whether our own people shall have that primary responsibility. If it is the sense of this Committee that our own people should bear it, then let us say so. But we ought to solve this problem now and say one way or the other what our intention is.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. KEATING. I yield.

Mr. DONDERO. How can we differentiate between a Frenchman who has been living in this country for 10 years and who has not become a citizen who may have accumulated \$10,000 and has it in the bank and a Frenchman who has recently come here and who has \$10,000 which he puts in the bank? Are you

going to take it from one and not from the other?

Mr. KEATING. I believe I would answer the gentleman in this way, that anyone who has been in this country and enjoyed the priceless benefits of life here and has taken no steps to become a citizen, certainly has an obligation to some country. If he has not seen fit to accept the responsibilities along with the inestimable privileges of United States citizenship, then he assuredly has an obligation to France or whatever the country of his origin may be.

Mr. DONDERO. I agree with the gentleman on that point.

The CHAIRMAN. The time of the gentleman from New York has expired.

The Chair recognizes the gentleman from South Dakota [Mr. MUNDT].

Mr. MUNDT. Mr. Chairman, when I first heard the gentleman from New York read his amendment, in the heat of debate, I thought I could go along with his line of reasoning, but upon studying it, and I have it now in my hand, I find myself compelled to oppose the amendment. I want to read it to you and then explain why in my opinion it goes further than we, as a free enterprise country, can afford to go legislatively, even with the temptation which he places before us to capture for ourselves some of the wealth of foreigners. He says:

Including, but not limited to, the establishment of satisfactory conditions for guaranteeing that identifiable assets of nationals of such country located in the United States, its Territories and possessions, may be held by the United States as security against any governmental credits from the United States to such country.

In other words, it seems to me there are at least two things wrong with the amendment. First, it utterly confuses private wealth and public wealth. It holds that any foreigner who brings to this country his money, his jewels, his diamonds, his furs, anything of value that he brings to this country, are not his, but once he gets here we are going to hold them until the country of which he is a national repays us the money which it owes. I think that is an unfortunate confusion of private and public wealth. It would make each foreign national in this country individually responsible and liable for his country's entire debt to the United States.

The other difficulty is the one brought out by the gentleman from Michigan [Mr. DONDERO]. This would make it impossible for any foreigner coming here on a business trip to bring with him any assets with which to buy South Dakota wheat or Detroit automobiles or radios or silks or shoes or anything that he may legitimately want to buy as the purchasing agent for himself or his company. If he brought any wealth along we would be compelled, under the terms of this legislation, to freeze on to it and hold it until we were sure those countries which owe us will pay those debts, which may run for 10 years. So, for 10 years any foreigner coming to this country would be unable to purchase goods from us. It would dry up completely our legitimate commercial export trade with all of these participating countries.



Mr. MONRONEY. Mr. Chairman, will the gentleman yield?

Mr. MUNDT. I yield.

Mr. MONRONEY. As I understand it, there is no limitation on the amount of time that these investments have been in this country.

Mr. MUNDT. That is correct.

Mr. MONRONEY. Everyone knows that part of the wealth of Europe helped build the transcontinental railroad lines of this country, and our telegraph lines, and they had faith in the industry of America and made those investments. This amendment would allow you to seize those private investments that are still in the hands of foreigners.

Mr. MUNDT. It would require it; yes.

Mr. FULTON. Mr. Chairman, will the gentleman yield?

Mr. MUNDT. I yield to the gentleman from Pennsylvania.

Mr. FULTON. I agree with the statement of the gentleman from South Dakota. Would it not also apply to the residence of a foreign family that might have been here for 20 years and may have earned the money here and put it into real estate?

Mr. MUNDT. It seems to me it is very broad language, which might apply to that situation as well.

Mr. KEATING. Mr. Chairman, will the gentleman yield?

Mr. MUNDT. I yield.

Mr. KEATING. I appreciate all the eloquence that has been shown in favor of these foreign nationals who have brought their assets here, but I call the attention of the gentleman and the Committee to the wording which says: "The establishment of satisfactory conditions."

Now, that is one of the matters for the Administrator to handle, and if we can get the kind of Administrator that we want and expect, or at least that we hope for, he is not going to do any of the things that the gentleman from South Dakota has referred to, nor is he compelled to do so under the wording of this amendment.

Mr. MUNDT. I am sorry I cannot yield any further. It is true it says, "The establishment of satisfactory conditions," but read on. Satisfactory conditions for what? Satisfactory conditions "for guaranteeing the identifiable assets of such nationals located in the United States." In other words, we give the Administrator a mandate to establish conditions as satisfactory as possible for guaranteeing that these assets shall be frozen. It does not apply only to those assets that have been hoarded here for years. It applies equally to a foreign purchasing agent who may be here only on a 2 weeks' buying trip. An agent cannot come here and buy our goods. You freeze trade. Under my amendment, I provide that you put into active use the assets, but I do not go so far as to say that you could confiscate them or freeze them for 10 or 15 or 20 years, so that they could never be used by the foreign national again.

I think we should defeat the amendment.

The CHAIRMAN. The time of the gentleman from South Dakota [Mr. MUNDT] has expired.

All time has expired.

The question on the amendment offered by the gentleman from New York [Mr. KEATING].

The question was taken; and a division (demanded by Mr. KEATING) there were—ayes 18, noes 39.

So the amendment was rejected.

Mr. JAVITS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. JAVITS: On page 87, line 2, after the word "country", insert a parenthesis and add: "Under suitable rules and regulations to protect such citizens as have been admitted to the United States for permanent residence and have in the judgment of the Administrator a bona fide intention to become citizens of the United States and not to conceal their assets from the Government of the country of which they are citizens."

The CHAIRMAN. The gentleman from New York [Mr. JAVITS] is recognized for 5 minutes.

Mr. JAVITS. Mr. Chairman—

Mr. VORYS. Mr. Chairman, will the gentleman yield?

Mr. JAVITS. I yield.

Mr. VORYS. Mr. Chairman, I ask unanimous consent that all debate on this amendment close in 6 minutes, three to be allotted to the gentleman from New York and three to the committee.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

The was no objection.

The CHAIRMAN. The gentleman from New York is recognized for 3 minutes.

Mr. JAVITS. Mr. Chairman, the committee has heard this question debated in connection with the amendment offered by the gentleman from New York [Mr. COUDERT]. I had no intention of submitting an amendment on the same general question, but in view of the fact that there is grave disquiet that this word "citizens" in section 115 (b) (4) of the bill, will catch in a net, which it was never intended, the small-business man in this country as a permanent resident, who is very anxious to live and make his living here—as so many millions of our people have—I felt constrained to offer this amendment. We certainly do not want to disturb that kind of foreign citizen resident here, and my amendment is designed to avoid the pitfalls which were pointed out in the amendment offered by the gentleman from New York a short time ago, that an alien could easily declare his intention to be a citizen without any real purpose of finally becoming one. My amendment leaves it to the Administrator to determine whether the particular citizen of a foreign country really intends to become a citizen, and is not concealing his assets from his own government, of which technically he still remains a citizen. It must be remembered, Mr. Chairman, that those individuals who come to the United States as quota immigrants with every intention

of remaining in the United States and becoming citizens, technically still remain citizens of the country of their nationality—one of the 16 European countries covered by this bill—until they are naturalized.

If the committee adopts this amendment it will take care of the cases there is no intention of reaching, and get rid of the fear that a net has just been spread to draw in the assets of a lot of people the committee never had any thought of disturbing.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The gentleman from South Dakota [Mr. MUNDT] is recognized for 3 minutes to close the debate.

Mr. MUNDT. Mr. Chairman, we have discussed this problem very fully in the Coudert amendment. However, the amendment offered by the gentleman from New York [Mr. JAVITS] is infinitely worse than the Coudert amendment. This new amendment leaves the door wide open. Mr. JAVITS simply strikes down language that we have just adopted to put into active use the assets and the earnings of these nationals. To whom does his amendment apply? It applies to any national of any country which national has the remotest, subconscious intention some day of becoming an American citizen. All he has to do is to convince the Economic Administrator that in the dim recesses of his mind he has that intention. Now, if you want to have a loophole in this thing large enough to drive a six-team South Dakota load of hay through, vote for it. Otherwise, vote it down. I suggest that it be voted down.

The CHAIRMAN. The time of the gentleman from South Dakota has expired; all time has expired.

The question is on the amendment offered by the gentleman from New York [Mr. JAVITS].

The amendment was rejected.

Mr. KERSTEN of Wisconsin. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. KERSTEN of Wisconsin: On page 86, line 19, strike out the semicolon after the word "country" in line 19, and insert a comma, and add the following: "and in removing progressively the obstacles to the free movement of persons within Europe among the participating countries."

Mr. KERSTEN of Wisconsin. Mr. Chairman, I am here seeking to include in subsection (3), page 86, in addition to lowering the trade barriers also the lowering of barriers so far as the passage of people from one participating country to another is concerned. In volume 1 of the CEEC reports there are set forth the seven objectives of the participating countries. These objectives were formulated by the countries themselves. One of these objectives is the lowering of trade barriers, another is making sounder financial assistance, and objective 6 reads as follows "to remove progressively obstacles to the free movement of persons within Europe."



In other words, I am simply incorporating in the bill the very language which these countries themselves state as an objective. If we fail to put that in, in my humble opinion, we will be failing in a very important ultimate objective.

Mr. VORYS. Mr. Chairman, will the gentleman yield?

Mr. KERSTEN of Wisconsin. I yield to the gentleman from Ohio.

Mr. VORYS. May I say to the gentleman that the committee has gone over this amendment, feels it is in proper form and inserted at the proper place. It does carry out one of the objectives of these countries which they themselves set. I therefore hope the gentleman's amendment will be adopted.

Mr. KERSTEN of Wisconsin. I thank the gentleman. It would be a great mistake to fail to include this amendment.

Mr. Chairman, the most important ultimate objective of ERP is the political integration of the people of Europe.

The bill as it now stands contains the objective of lowering trade barriers for articles of commerce, but we have as yet failed to require the removal of obstacles to the free passage of peoples.

Do you not agree that the lack of obstacles to the free passage of people among the States of the United States is perhaps the greatest factor in effecting a mutual understanding of the people of all the separate States with one another? The fact that a citizen of Wisconsin can readily travel to the State of California, or vice versa, is the greatest reason why the citizens of these two States would never be brought to the point of war upon one another. If the people of France could readily travel into Germany, and the German people could readily travel into France, would that not be a great means of mutual understanding between two countries that have been involved in conflict for ages?

Mr. Chairman, if this amendment is adopted it will be the greatest step forward to the realization of political unity in Europe. It may be too optimistic to hope for a United States of Europe immediately. But this amendment will help to pave the way in the not distant future.

Unless the aid that the American people are asked to give now at great sacrifice can produce great constructive reforms such as this amendment provides we are then missing a historic opportunity. Now is the time to secure these fundamental improvements in Europe. When was there a better time? When did people more earnestly desire the conditions of peace? When was there a greater necessity for mutual understanding and knowledge of one another by the people of Europe?

In addition to this amendment I would also like to state that I shall support the amendment of the gentleman from Minnesota [Mr. DEWITT] which will be offered later this afternoon. The amendment of the gentleman from Minnesota will assist in the increase of private aid to the stricken countries of Europe, including Germany. It is in the same spirit of increasing understanding among peoples—a major factor in maintaining enduring peace.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin [Mr. KERSTEN].

The amendment was agreed to.

Mr. KEATING. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. KEATING: On page 92, lines 9 to 12, inclusive, strike out subparagraph (f) and insert:

"(f) The Administrator shall request the Secretary of State to obtain an agreement from any participating country which is still holding prisoners of war that said prisoners of war shall be repatriated prior to January 1, 1949, unless they shall freely elect otherwise, provided such agreement has not heretofore been obtained."

Mr. VORYS. Mr. Chairman, I ask unanimous consent that all debate on this amendment close in 7 minutes, the last 2 minutes to be reserved to the committee.

Mr. OWENS. Mr. Chairman, I object.

Mr. VORYS. Mr. Chairman, I ask unanimous consent that all debate close in 10 minutes, 2 minutes for the gentleman from Illinois and 3 minutes for the committee.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. KEATING. Mr. Chairman, again I desire to express my appreciation of the extent to which the committee has gone in incorporating some provision in this bill relating to the released prisoners of war who are being held by some of our erstwhile allies. As the committee knows, on both humanitarian and economic grounds, I have been advocating this principle for months. However, the attention of the committee is called to the wording of subsection (f), as it stands now, reading:

It is the understanding of the Congress that, in accordance with agreements now in effect, prisoners of war remaining in participating countries shall, if they so freely elect, be repatriated prior to January 1, 1949.

What if our understanding is incorrect? There is nothing in the bill to indicate what happens then. Of course, nothing would happen.

The purpose of my amendment is to provide in so many words just as we have done with regard to other commitments which the participating governments must enter into, namely, that they must agree such prisoners of war will be repatriated prior to January 1, 1949, unless they have already entered into such an agreement.

I have some difficulty in understanding the unwillingness on the part of those handling this measure to accept this language.

Western Germany is included in this program. We all know that the notorious Morgenthau plan is now out the window, and that western Europe will never be completely rehabilitated until the economy of Germany is reestablished, always under proper safeguards of course, to insure that its war potential is in no way encouraged.

We also know that any man is going to do more effective work to contribute his bit toward the over-all rehabilitation

of western Europe if he is working in his own country than he is if he is wearing the dungarees of a prisoner of war in some other former enemy country. Self-help, not self help will save Europe. I am told that there are some seven-hundred-thousand-odd prisoners of war still held by the European countries participating in this program.

In order for all of these countries to get back on their feet, which is what we are seeking here, one of the important factors is to make the best possible use of the existing manpower which we can devise. It strikes me that will not be accomplished unless those individuals, those nationals who want to go to work and who must go to work if this program is to succeed, are working in their own native land.

Now, there is one other difference between this provision and the committee wording. If the Members will note, under the bill as worded, it says that these prisoners of war shall be repatriated if they so freely elect. In other words they must all make an election in order to be repatriated. Now, I do understand that there are a few who do not wish to be repatriated, and in that event, they should probably not be forced to return to their own country, if the country where they now are still wants them.

But, this amendment, as worded, provides that they shall be repatriated unless they shall freely elect otherwise. In other words, the burden should be upon the Government which holds them to see that they are repatriated, unless they do not wish to be, instead of putting the burden on each prisoner affirmatively to make the election to be repatriated.

I should like to express my appreciation for the great help I have received from the gentleman from Illinois [Mr. OWENS] in my efforts to get this amendment perfected.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois [Mr. OWENS].

Mr. OWENS. Mr. Chairman, a year ago this month I stood on the floor of this House and called attention to the fact that there were hundreds of thousands of prisoners being held as slave laborers in England and France. I informed you that I had carried on correspondence with the Department of State and with the War Department and promises were made to repatriate these prisoners. They promised that by October 1 they would be repatriated. Now, Belgium and Luxemburg kept their promises. France, however, made an arrangement whereby the prisoners could work for a year or 2 years in that country at a stipulated wage, and they would be released immediately from bondage. So many of the prisoners immediately asked for that privilege that France began to cut down the number so that at the present time they still have hundreds of thousands of prisoners in France who are doing slave labor. The labor leaders of the United States, particularly Matthew Woll, have been complaining about the fact that goods are being shipped over to this country and that we are being undersold because of the slave labor, so



that we have that condition, in addition to the fact that it is inhumane and it certainly is un-American. The only real change that is being made here by the amendment is that, where they, the prisoners, have to elect to be repatriated, they are going to be repatriated unless they elect to do otherwise.

I earnestly ask your support for this very fine amendment. If it is not adopted, you will find that on next January 1 that such inhumanity is still being carried on throughout certain nations of Europe, particularly England and France. We now have the opportunity to effectively end such savagery. Should the members of the Committee on Foreign Affairs choose to oppose it, then they have the sin on their heads.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio [Mr. VORYS].

Mr. VORYS. Mr. Chairman, the gentleman proposes to have done in the future something that has been done already. We already have the agreement, which General Clay says should be maintained, to have orderly repatriation of these prisoners. Part of the pressure for that action came from the Congress. But we have got it, and we do not need to write it in in any better form than it is here. Certainly if these prisoners want to stay in the countries where they have made their homes we do not want to force them to go back home.

Mrs. DOUGLAS. Mr. Chairman, will the gentleman yield?

Mr. VORYS. I yield to the gentleman from California.

Mrs. DOUGLAS. The agreements already in force provide that all prisoners of war are to be repatriated by the end of this year. Great Britain and France are the only nations in the ERP who have prisoners of war.

General Clay testified before our committee that because of shortages of transportation and other facilities in Germany they cannot accept war prisoners at an appreciably faster rate of repatriation than they are now receiving them. For instance, France is repatriating war prisoners at a rate of 25,000 a month.

The amendment repudiates agreements to which we are a party. It will accomplish nothing. At the best it can only speed up the return of war prisoners by 2 or 3 months, and the result would be more expensive for the American taxpayer, because added confusion in Germany means added costs for the American taxpayer. Remember we are carrying the burden of the administration in Germany. At the worst, it will force the Schuman government in France to agree to a condition under the ERP agreements which will be highly distasteful to the French people.

Mr. VORYS. The gentleman from New York was a leader in this fight in which we all joined, to secure repatriation of prisoners and the end of slave labor, but he has won his fight and has got his provision in the bill. The agreements are being implemented. We, therefore, do not need to adopt this amendment, which looks forward to

something which has already been accomplished.

Mrs. DOUGLAS. Exactly.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. KEATING].

The amendment was rejected.

Mr. HALLECK. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, many Members have asked me about the prospects and intentions with respect to concluding the consideration of the pending measure. Quite some time ago we announced that we hoped to be able to conclude it this evening. I feel quite sure that we can do that, and I am inclined to believe we should remain in session this evening until the measure is concluded. Not only is this matter important in itself, it is important to have its consideration concluded in accordance with the timetable we have set up. Moreover, we have other important matters that should be disposed of this week, and I am very hopeful that we dispose of them as soon as possible. In order that we may expedite our deliberations as much as possible, I make this statement at this time to solicit the cooperation of the Members. There is no desire or intention to shut off unduly or unreasonably any debate in respect to any matter that is properly presented for consideration. I wish solely to advise the Members of the situation to the end that we all may cooperate in accomplishing what, I am sure, would represent the desire of all the Members for concluding consideration of this measure this evening.

Mr. SMITH of Wisconsin. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SMITH of Wisconsin: On page 92, line 3, strike out "to seek."

Mr. SMITH of Wisconsin. Mr. Chairman, my amendment aims to correct an abuse which exists in connection with the dismantling of industrial plants in Germany. The people are aroused and insist that this Congress write into this law a provision which will permit a fair measure of recovery for the occupied zone in Germany.

At this time, Mr. Chairman, I shall offer a circular issued by the Department of Commerce, under date of March 11, 1948, which is entitled "Reparations News." I shall also offer a table which indicates that some of the items which are now for sale are also being exported from this country to the bizonal area.

This particular circular describes what is available in reparations in one of the big Krupp plants in Essen. It offers these plants, presumably, for distribution in any of 20 countries, including Russia and Poland, and three other countries, Yugoslavia, Czechoslovakia, and Albania, which are also behind the so-called iron curtain. I say "Russia and Poland" because, although the State Department promised it would suggest the stopping of shipments from the British zone of Germany to Russia, the answer to their suggestion has never been reported. And the continued shipment of plants to

Russia from the British zone still goes on. At least as far as this body goes, it has never been denied.

But that is not the most interesting part of this official circular. It lists the serial number of the plant, which is 1009, and then it describes the various shops in the plant which are available for reparations.

1009/11. Shop 48: Forging plant—production of railway axles and similar products of tool steel bars.

1009/13. Shop 74: Spring shop—spiral and leaf springs.

1009/13. Shop 76: Fire brick mill—refractories.

1009/16. Shop 54: Gear shop—gear production.

1009/20. Shop 34: Private railway shop—production and repair of rolling stock for private and colliery railways.

1009/25. Shop 22: Car repair shop and apparatus shop No. 3, repairs to vehicles and machinery.

Now, that is a sample of the railway manufacturing equipment which is being torn down in Germany and scattered all over the world.

The second document is the State Department's estimate of what it intends to ship to western Germany under the Marshall plan.

One item is \$60,000,000 worth of freight cars.

Now, lest it seem too absurd to be true that this economic folly would be seriously proposed for the approval of this Congress, I submit the actual document. It is table 17 in the State Department's Illustrative Composition of Imports of Commodities and Services.

In addition to offering it here for the RECORD, I will also refer those who want double confirmation of this incredible stupidity to volume I of the Senate testimony on the European recovery program, where it is printed on page 128.

I could go on and cite the whole gallery of economic fallacies involved in our program or lack of program for Germany. But this is enough. It is, as the State Department would say, "illustrative." Here, in the same city of Washington, we have one department of Government giving our conquered plants in Germany away to any and all comers and another department asking for \$60,000,000 to replace their output for a few months.

It is imperative that we stop dismantling in Germany at once. The State Department should obey the intent of the Congress.

DEPARTMENT OF COMMERCE,  
OFFICE OF INTERNATIONAL TRADE,  
Washington, D. C., March 11, 1948.

#### REPARATIONS NEWS

#### I. GERMAN PLANTS DECLARED AVAILABLE FOR REPARATION

The official inventories, listing and describing the general-purpose equipment adaptable for peacetime production in the following two war and industrial plants declared available for reparation from Germany, have been received by the Office of International Trade, Department of Commerce:

Serial No.: 1009.

Plant name: Gusstahl Fabrik Fr. Krupp A. G.

Location: Essen.



Description: Parts plant, for production of armaments and steel products, comprising the following units:

1009/6. Shop 56 (b): Machine shop No. 9. Only general engineering machinery stored but not yet erected is included in this unit.

1009/11. Shop 47: Open hearth plant No. 3 and electric steel plant north—production of Siemens Martin and Electric Steel.

Shop 48: Forging plant—production of railway axles and similar products of tool steel bars.

Shop 49 (a): Forging plant—production of light forgings.

Shop 49 (b): Forging plant—production of medium forgings.

1009/12. Shop 77: Armour plate mill—production of armour and bullet-proof plate.

Shop 77 (a): Armour plate mill—production of armour and bullet-proof plate.

Shop 78: Pressing and drawing plant—production of bombs and pressure bottles for submarines.

1009/13. Shop 70: Testing shop—testing of forgings.

Shop 73: Civil Engineering Department—civil engineering work.

Shop 74: Spring shop—spiral and leaf springs.

Shop 75: Research Department—research.

Shop 76: Fire brick mill—refractories.

1009/14. Shop 79: Agricultural machine shop—production of agricultural machinery.

Shop 81: Fuse shop—detonators.

Shop 82: Foundries 5 to 7—castings.

Shop 83: Printing office—printing.

1009/15. Shop 32: Heat treatment shop—heat treatment of war material.

1009/16. Shop 53: Machine shop No. 6—iron structures for dredgers.

Shop 54: Gear shop—gear production.

Shop 55: Screw plant and machine shop No. 15—instruments and gun parts.

1009/17. Shop 57: Drop forging plant—production of light and medium die-hammered forgings.

1009/18. Shop 41: Machine shop No. 2—Forkard chuck, surgical instruments, and aircraft fittings.

Shop 44: Welding shop—welding.

Shop 46: Machine shop No. 11—electric repairs.

1009/19. Shop 72: Crankshaft shop—crankshafts for high speed, aero, and water-craft engines.

1009/20. Shop 34: Private railway shop—production and repair of rolling stock for private and colliery railways.

1009/23. Shop 24: Union workshops—storeroom for machine parts.

1009/25. Shop 22: Car repair shop and apparatus shop No. 3—repairs to vehicles and machinery.

1009/28. Sheet pressing plant No. 5—pressed steel components.

1009/30. Machine shop—general light engineering work.

1009/31. Iron store—various stores.

1009/32. Border plant for supply of steam to works.

Serial No. 1074, B/S/413.

Plant name: Atlas Werke A. G.

Location: Elmshorn.

Description: Plant for production of sound detection apparatus.

The inventories for these plants are available for public examination in the office of the Chief Reparations Officer, Office of International Trade, Department of Commerce, Washington 25, D. C.

#### Expressions of interest invited

This announcement does not constitute an offer of sale. These plants have been declared available for reparation but have not yet been allocated by the Allied Control Authority. American business firms and citizens are invited to express any interest which they may have in the purchase of these plants in the event that they might be allocated to this Government. Such expressions of interest should be forwarded to the

Chief Reparations Officer, Office of International Trade, Department of Commerce, Washington 25, D. C., and must be received by April 9, 1948.

For further information concerning expressions of interest, disposal procedure, or inspection of plants, refer to previous reparations news circulars or communicate with Chief Reparations Officer, OIT, Department of Commerce, Washington, D. C.

TABLE 17.—Western Germany—Bizon—Illustrative composition of imports of commodities and services from Western Hemisphere and possible sources and distribution of financing, Apr. 1, 1948, to June 30, 1949, at July 1, 1947, prices

[In millions of dollars]

Import	Total imports	Possible sources and distribution of financing		
		Bizonal dollar earnings	Sources other than new United States funds	New United States funds
Bread grains.....	284.6	.....	.....	284.6
Coarse grains.....	54.1	.....	.....	54.1
Fats and oils.....	24.5	.....	.....	24.5
Oil cake.....	.....	.....	.....	.....
Sugar.....	27.5	.....	.....	27.5
Meat.....	6.2	.....	.....	6.2
Dairy products.....	9.9	.....	.....	9.9
Eggs.....	.....	.....	.....	.....
Dried fruit.....	5.5	.....	.....	5.5
Rice.....	.....	.....	.....	.....
Coffee.....	2.2	.....	.....	2.2
Other foods.....	23.9	.....	.....	23.9
Subtotal.....	438.4	.....	.....	438.4
Tobacco.....	16.1	.....	.....	16.1
Cotton.....	66.5	.....	.....	66.5
Nitrogen.....	12.0	.....	.....	12.0
Phosphates.....	1.1	.....	.....	1.1
Potash.....	.....	.....	.....	.....
Agricultural machinery.....	8.4	.....	.....	8.4
Coal.....	.....	.....	.....	.....
Mining machinery.....	28.0	.....	.....	28.0
Petroleum products.....	22.5	.....	.....	22.5
Timber.....	.....	.....	.....	.....
Iron and steel:	.....	.....	.....	.....
Finished.....	.....	.....	.....	.....
Crude and semi-finished.....	.....	.....	.....	.....
Pig iron.....	.....	.....	.....	.....
Scrap iron.....	.....	.....	.....	.....
Iron ore.....	.....	.....	.....	.....
Trucks.....	9.4	.....	.....	9.4
Freight cars.....	60.0	.....	.....	60.0
Steel equipment.....	.....	.....	.....	.....
Timber equipment.....	.3	.....	.....	.3
Electrical equipment.....	5.0	.....	.....	5.0
Other imports.....	212.4	99.6	.....	112.8
Total commodity imports.....	880.1	99.6	.....	780.5
Net freight.....	134.0	.....	.....	134.0
Other dollar payments.....	.....	.....	.....	.....
Total.....	1,014.1	99.6	.....	914.5

<sup>1</sup> Includes copper, lead, and zinc, \$18,000,000; hides and skins, \$9,000,000; seeds, \$22,000,000.

<sup>2</sup> In addition to its dollar requirements for imports from the Western Hemisphere, bizonal Germany will have an uncovered dollar deficit of \$200,000,000 with nonparticipating countries outside the Western Hemisphere. This deficit is made up of the following items: Wool, \$71,000,000; hemp, \$6,500,000; lead, \$10,000,000; coarse grains, \$28,500,000; cotton, \$16,600,000; other raw materials, \$26,000,000; freight, \$26,800,000.

Mr. FULTON. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Wisconsin. I yield.

Mr. FULTON. Actually were not the agreements for reparations between the countries made at Potsdam and therefore are we not now committed under the agreements that have already been made at Potsdam and if that is the case, how does your amendment change the amounts already in the committee's bill?

Mr. SMITH of Wisconsin. It seems to me that we take a rather defensive position in that connection. Those agreements at Potsdam have been broken a dozen times. We are not bound to recognize them at this time.

Mr. KEATING. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Wisconsin. I yield.

Mr. KEATING. I am very happy to support the gentleman's amendment, which is identical with one which I have at the Clerk's desk, except that mine, in addition to striking out the words "to seek" in line 3, also inserts the words "in the opinion of the Administrator" after the word "will" in line 7. I commend to the Senate-House conferees consideration of the inclusion of these additional words for the purpose of clarification, but will not press my amendment. My information is that we have been pursuing a policy of dismantling plants in western Germany at the very time we have been shipping to western Germany the same products as those made in those very plants.

Mr. SMITH of Wisconsin. There is no doubt about that.

Mr. KEATING. Such a policy seems to me inexcusable. All that the gentleman is seeking to do is to make it very clear that the Secretary of State is to obtain these agreements and not just to seek to make agreements.

Mr. SMITH of Wisconsin. That is exactly right.

Mr. VORYS. Mr. Chairman, I ask unanimous consent that debate on this amendment and all amendments thereto close in 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. VORYS. Mr. Chairman, I am in no position to resist the gentleman's amendment. I commend him for calling the attention of the House to this situation. As I say, so far as I am concerned, I am not in a position to oppose the amendment since I am in favor of it. I yield to any member of the committee who wishes to oppose it.

Mr. LODGE. Mr. Chairman, I think it would be a mistake if the words "to seek" were deleted from this subsection. I am in substantial agreement with the gentleman from Wisconsin [Mr. SMITH], as to the advisability of revising the agreements made with respect to reparations and dismantling. I have so advocated in numerous speeches. We gave a great deal of attention to this whole question in committee. This language was worked out by the gentleman from Connecticut and some of the committee's assistants. The fact is that dismantling is being carried on at the moment under agreements made in August 1946 in Paris. I believe that we should seek to obtain a revision of those agreements in order to bring them in line with the major intentions of ERP. We can even tell these nations that we feel that since we are extending this aid to them, the whole question of German reparations and dismantling should be revised in the light of these new circumstances. It seems to me that that is the most that we can do. To



do any more than that would be regarded as a breach of faith with respect to these agreements. To do any less than that would be entirely unrealistic. I cannot see what more is accomplished by taking out the words "to seek," except to embarrass the Secretary of State and the participating countries which are members of the Interallied Reparations Agency. All the Secretary of State can do is to seek to obtain revision of agreements already made. He should, in my opinion, seek to obtain those revisions.

Mr. VORYS. I yield to the gentleman from California [Mrs. DOUGLAS].

Mrs. DOUGLAS. Mr. Chairman, I wish to oppose the amendment, and I support what the gentleman from Connecticut [Mr. LODGE] has just said. I go even further, to say that I object to the bill as it is now written in this respect. We say, "The Administrator will request the Secretary of State to seek to obtain the agreement of those countries concerned that such capital equipment as is scheduled for removal as reparations from the three western zones of Germany be retained in Germany if such retention will most effectively serve the purposes of the European recovery program."

Evidence before our committee and the Senate committee showed that the dismantling of German nonwar plants is consistent with the European recovery program. Those plants cannot be put into operation in Germany within the next 3 or 4 years because of shortage of materials, transport, and manpower and other factors. On the other hand as rapidly as this industrial capacity is being transferred to claimant countries it is being put into immediate production, thus aiding the rehabilitation of these countries. Never forget that these countries which are claimant for German reparations are today devastated because of the war which Germany forced upon the world.

The expenditure of the billions authorized by this bill is necessary as the direct result of the actions of Germany whose habit it has been to overrun Europe every generation. We may easily forget that all-important fact, since we have escaped direct injury in two world wars. But the victims of Germany in Europe cannot forget so easily. They are the beneficiary parties to the Paris reparations agreement. We cannot overthrow that agreement by a unilateral act. It ill becomes us to attempt to try to do so.

One more point. So much of the discussion on this floor links reparations to the Morgenthau plan. The reparations program is unrelated to the Morgenthau plan. It seems to be forgotten that reparations out of German capital plants were undertaken only as an alternative to the plan as attempted after World War I of collecting reparations out of current production.

The CHAIRMAN. The time of the gentleman from Ohio [Mr. VORYS] has expired. All time has expired.

The question is on the amendment offered by the gentleman from Wisconsin [Mr. SMITH].

The question was taken; and on a division (demanded by Mr. JAVITS) there were—ayes 69, noes 53.

Mrs. DOUGLAS. Mr. Chairman, I ask for tellers.

Tellers were ordered, and the Chairman appointed Mr. SMITH of Wisconsin and Mrs. DOUGLAS to act as tellers.

The Committee again divided; and the tellers reported that there were—ayes 88, noes 55.

So the amendment was agreed to.

Mr. HESELTON. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, at this time I want to refer to a series of questions I asked the acting chairman yesterday afternoon with reference to the construction of subsection (b) of section 112 which we have passed, of course, but which has to do particularly with the uses of petroleum and petroleum products in the 16 countries.

At that time I also called attention to the report of the Interstate and Foreign Commerce Committee on the fuel investigation dated February 27, 1948, House Report No. 1438, which indicated a tremendously large increase in the prospective demand for gas, Diesel and fuel oils in these countries, and set forth certain specific examples of conversions.

The acting chairman was good enough to suggest that I place those questions in the Record and indicated that he would be glad to give the answers at the proper time today. He has indicated to me that he would be glad to have me repeat the request at this time.

I now yield to the acting chairman of the committee.

Mr. VORYS. Mr. Chairman, I will say frankly that I am not very well satisfied with the information we have been able to obtain and am inclined myself to concur in the criticisms which were contained in the Herter report on petroleum and in the report from the gentleman's committee dated February 27, 1948.

As the gentleman knows, the amount for petroleum in the ERP figures is \$651,000,000 for the next 15 months, and I assume a similar amount will come the next year. As the report of the Committee on Interstate and Foreign Commerce shows more brilliantly than I can point out, we produce and consume about two-thirds of the world's petroleum.

It is to our interest not only to have Europe consume petroleum from the Near East but to save our own supplies and to secure some from the Near East also.

There are two specific protections in the measure in addition to the one the gentleman has mentioned, which may give the administrator not only discretion but strong advice to protect the economy of this country, which would protect domestic consumers.

As to the delicate balance between when it is wise to furnish machinery over there to increase their production and what we might best use here, I have puzzled over a way to draft a provision to take care of that, but have been unable to do so. I feel that with the provisions in the bill it is a matter that we must leave to the discretion of the administrator. He is enjoined, however, by law to protect the economy of the United States.

Mr. HESELTON. I appreciate the difficulty of the problem. I want to re-

emphasize my own deep conviction that the key to the success of this plan lies in our own productivity, and unless we are willing to assure the American people and American industry that they can expect the full extent of their needs will be met, we cannot hope to succeed. With this bill now keyed to the report of the Herter committee and the report of the House Committee on Interstate and Foreign Commerce to which we have both referred, I think the best possible safeguards have been taken and that our domestic consumers, and our domestic industry, can feel a great degree of assurance that they are going to be protected in large measure as to their vital requirements of petroleum and petroleum products.

Mr. VORYS. It is my hope that the Administrator, when he is appointed, will read this colloquy and be reminded of the sections of the law, and the various reports to which we have referred.

Mr. HESELTON. I thank the gentleman. I have every confidence that the Administrator will accept that advice and will be guided by the constructive suggestions contained in those two reports in making decisions as to the matter we have discussed.

Mr. SADOWSKI. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, the matter of fuel oil and steel pipe was brought up yesterday afternoon just before the committee rose by the gentleman from Arkansas [Mr. HARRIS] and the gentleman from Massachusetts [Mr. HESELTON]. All of us on the Committee on Interstate and Foreign Commerce have been very deeply disturbed about the fuel oil situation. In the city of Detroit last winter our plants were closed down for a period of over 3 weeks because of the shortage of fuel oil and natural gas. Our people were cold. They shuddered with cold. Today you are making them shudder with fear, so that they shall continue to shudder from cold next winter.

I want to have some assurance from the committee now that this fuel shortage is not going to happen again this winter. I may say to the gentleman from Ohio that we do not want some pretty words spoken here or a general sort of a statement to preserve our oil and gasoline supplies for our own people. The language should be mighty strong to give full assurance to our people that they will not go through the fuel shortage they went through last winter.

The gentleman has stated that he hopes this act will be expedited dynamically. That is the whole trouble. I am sure that this program will be expedited dynamically. They expedite these things so dynamically because of the profits that are involved in the goods that are shipped to Europe that they just take everything away from our own people, and then we have these shortages. That is why we have shortages of steel. I have plants closing down in Detroit because they cannot get 18- and 20-gage steel to make cabinets and to make deep freezers. I just got a letter from one of our big manufacturers last week saying that he cut down his deep-freeze production to one-half because he cannot get 20-gage steel, and he is asking



me to find some for him. Well, I cannot find any. I am sure you have the same experience.

Now, if language is not put in this act right now to guarantee to our own people that these shortages will not occur, then watch out what those people are going to do to you in November, because they are not going to be bothered with your explanation of how you voted for this plan in order to save the world, because they will say, "How about us back home." Another thing, what assurance have they that we are not going to take away their gasoline this summer. It was brought out before the Committee on Interstate and Foreign Commerce that we will have a shortage of gasoline this summer and this fall. Now, if they are going to raid the gasoline market and take our gasoline away, as they certainly will do, you will be held responsible. Of all of the gasoline going to Europe, 75 percent is going to come from United States resources. What situation are we going to face domestically here? Are we going to have gasoline rationing before November? As far as I am concerned, I warn you gentlemen that this bill should not go through unless there is positive protection given to our people that domestically we will not face a gasoline or fuel-oil shortage this fall. Do not go home and say, "We did not know about it," or "I did not anticipate this," but make sure that we will protect our people and that they will not suffer these shortages.

Mr. SMITH of Ohio. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SMITH of Ohio: Page 95, line 13, after the period, add the following: "Whenever the Administrator finds that any country receiving aid under this act transacts any business or has any relations with the Union of Socialist Soviet Republics, Yugoslavia, Rumania, Czechoslovakia, Bulgaria, or any other Russian satellites, they shall forthwith be denied all further such aid."

Mr. VORYS. Mr. Chairman, a point of order. That part of the bill has not yet been read for amendment.

The CHAIRMAN. The point of order is well taken. The point of order is sustained.

Mr. JENKINS of Ohio. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, this proposed legislation has been greatly improved over what the State Department and the administration proposed originally. The amount has been reduced from the tremendous amount of something over twenty-five billion. The bill has been changed so that the State Department has been practically eliminated from the active control of the administration of the functions to be performed under this legislation.

Likewise, the bill as it now stands provides for a one-man administration with advisory assistants. In other words this bill as it now stands contains several recommendations made by the Herter committee. In fact the important provisions of this bill are largely based on recommendations made by the Herter committee. I am naturally favorable toward the recommendations coming

from the Herter committee because I am a member of that committee and I know the diligence with which the committee worked and I know its fidelity to the best interests of the country.

I shall support this legislation because I feel that it will be a relief measure and more than that it should be able to assist these foreign countries to help themselves. It will strengthen the weak governments and will stabilize the currencies of these several countries whose financial structures are so weak that it is impossible for them to engage in trade and commerce with other countries.

If we are to have any trouble with any foreign country from a military standpoint it may be to our advantage if we are engaged in activities that will further our military advantages. For instance, Greece now has an army of 125,000 men who have been provided with all their clothing and shoes and with their arms and ammunition by money furnished to Greece under the loan made by the United States to Greece less than 2 years ago. Why not keep this army on a fighting basis rather than permit them to disband and then send our own men to do military duty in Greece to hold back the bandits that harass the inhabitants of Greece.

If we are to have trouble with the Communist countries we had better have as many countries on our side as we can have.

I am moved to support this measure because I think it will be for the best interest of our country.

I voted to amend this measure by reducing the total amount provided herein by more than a billion dollars. I am sorry this amendment failed. I have also voted today to reduce the time during which this law shall operate from 4 years to 1 year. I felt that we could try this plan for a year and then if it proved satisfactory we can extend it further. I am sorry that this amendment failed.

I feel that since we have taken this matter out from the control of the State Department and have placed its administration under a single administrative head with proper assistants, and since we reduced the time and the amount to be spent that this bill that we are about to vote on is a bill that the people will quite generally approve. At any rate the Congress will have the whole matter under its control and we can amend it as future events may suggest.

Mr. VORYS. Mr. Chairman, I ask unanimous consent that the balance of title I be considered as read and open for amendment at this time.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

#### WESTERN HEMISPHERE COUNTRIES

Sec. 116. The President shall take appropriate steps to encourage all countries in the Western Hemisphere to make available to participating countries such assistance as they may be able to furnish.

#### OTHER DUTIES OF THE ADMINISTRATOR

Sec. 117. (a) The Administrator, in furtherance of the purposes of section 115 (b) (5), and in agreement with a participating country, shall, whenever practicable, promote,

by means of funds made available for the purposes of this title, and increase in the production in such participating country of materials which are required by the United States as a result of deficiencies or potential deficiencies in the resources within the United States.

(b) The Administrator, in cooperation with the Secretary of Commerce, shall facilitate and encourage, through private and public travel, transport, and other agencies, the promotion and development of travel by citizens of the United States to and within participating countries.

(c) In order to further the efficient use of United States voluntary contributions for relief in participating countries receiving assistance under this title in the form of grants or any of the zones of occupation of Germany for which assistance is provided under this title and the Free Territory of Trieste or either of its zones, funds made available for the purposes of this title may be used, in the discretion of the Administrator, and under rules and regulations prescribed by him, to pay port charges in the United States and ocean freight charges from a United States port to a designated foreign port of entry (1) of supplies donated to, or purchased by, United States voluntary nonprofit relief agencies registered with and recommended by the Advisory Committee on Voluntary Foreign Aid for operations in Europe; or (2) of relief packages conforming to such specified size, weight, and contents, as the Administrator may prescribe originating in the United States and consigned to an individual residing in a participating country receiving assistance under this title in the form of grants or any of the zones of occupation of Germany for which assistance is provided under this title and the Free Territory of Trieste or either of its zones. The Administrator may make an agreement with such country for the use of a portion of the deposit of local currency placed in a special account pursuant to paragraph (6) of subsection (b) of section 115 of this title, for the purpose of defraying the transportation cost of such supplies and relief packages from the port of entry of such country to the designated shipping point of consignee.

(d) The Administrator is directed to refuse delivery to participating countries of commodities or products which go into the production of commodities or products for delivery to any country which has announced its intention to attempt to prevent the success of the European recovery program, which commodities or products would be refused export licenses to those countries by the United States.

#### TERMINATION OF ASSISTANCE

Sec. 118. The Administrator, in determining the form and measure of assistance provided under this title to any participating country, shall take into account the extent to which such country is complying with its undertakings embodied in its pledges to other participating countries and in its agreement concluded with the United States under section 115. The Administrator shall terminate the provision of assistance under this title to any participating country whenever he determines that (1) such country is not adhering to its agreement concluded under section 115, or is diverting from the purposes of this title assistance provided hereunder, and that in the circumstances remedial action other than termination will not more effectively promote the purposes of this title or (2) because of changed conditions, assistance is no longer consistent with the national interest of the United States. Termination of assistance to any country under this section shall include the termination of deliveries of all supplies scheduled under the aid program for such country and not yet delivered.



# EXEMPTION FROM CONTRACT AND ACCOUNTING LAWS

SEC. 119. When the President determines it to be in furtherance of the purposes of this title, the functions authorized under this title may be performed without regard to such provisions of law regulating the making, performance, amendment, or modification of contracts and the expenditure of Government funds as the President may specify.

## EXEMPTION FROM CERTAIN FEDERAL LAWS RELATING TO EMPLOYMENT

SEC. 120. Service of an individual as a member of the Public Advisory Board (other than the Administrator) created by section 107 (a), as a member of an advisory committee appointed pursuant to section 107 (b), as an expert or consultant under section 104 (e), shall not be considered as service or employment bringing such individual within the provisions of section 109 or 113 of the Criminal Code (U. S. C., title 18, secs. 198 and 203), of section 190 of the Revised Statutes (U. S. C., title 5, sec. 99), or of section 19 (e) of the Contract Settlement Act of 1944, or of any other Federal law imposing restrictions, requirements, or penalties in relation to the employment of persons, the performance of services, or the payment or receipt of compensation in connection with any claim, proceeding, or matter involving the United States.

## UNITED NATIONS

SEC. 121. (a) The President is authorized to request the cooperation of or the use of the services and facilities of the United Nations, its organs and specialized agencies, or other international organizations, in carrying out the purposes of this title, and may make payments, by advancements or reimbursements, for such purpose, out of funds made available for the purposes of this title, as may be necessary therefor, to the extent that special compensation is usually required for such services and facilities. Nothing in this title shall be construed to authorize the Administrator to delegate to or otherwise confer upon any international or foreign organization or agency any of his authority to decide the method of furnishing assistance under this title to any participating country or the amount thereof.

(b) The President shall cause to be transmitted to the Secretary General of the United Nations copies of reports to Congress on the operations conducted under this title.

(c) Any agreements concluded between the United States and participating countries, or groups of such countries, in implementation of the purposes of this title, shall be registered with the United Nations if such registration is required by the Charter of the United Nations.

## TERMINATION OF PROGRAM

SEC. 122. (a) After June 30, 1952, or after the date of the passage of a concurrent resolution by the two Houses of Congress before such date, which declares that the powers conferred on the Administrator by or pursuant to subsection (a) of section 111 of this title are no longer necessary for the accomplishment of the purposes of this title, whichever shall first occur, none of the functions authorized under such provisions may be exercised; except that during the 12 months following such date commodities and services with respect to which the Administrator had, prior to such date, authorized procurement for, shipment to, or delivery in a participating country, may be transferred to such country, and funds appropriated under authority of this title may be obligated during such 12-month period for the necessary expenses of procurement, shipment, delivery, and other activities essential to such transfer, and shall remain available during such period for the necessary expenses of liquidating operations under this title.

(b) At such time as the President shall find appropriate after such date, and prior

to the expiration of the 12 months following such date, the powers, duties, and authority of the Administrator under this title may be transferred to such other departments, agencies, or establishments of the Government as the President shall specify, and the relevant funds, records, and personnel of the Administration may be transferred to the departments, agencies, or establishments to which the related functions are transferred.

## REPORTS TO CONGRESS

SEC. 123. The President from time to time, but not less frequently than once every calendar quarter through June 30, 1952, and once every year thereafter until all operations under this title have been completed, shall transmit to the Congress a report of operations under this title, including the text of bilateral and multilateral agreements entered into in carrying out the provisions of this title. Reports provided for under this section shall be transmitted to the Secretary of the Senate or the Clerk of the House of Representatives, as the case may be, if the Senate or the House of Representatives, as the case may be, is not in session.

## SEPARABILITY CLAUSE

SEC. 124. If any provision of this act or application of such provision to any circumstances or persons shall be held invalid, the validity of the remainder of the act and the applicability of such provision to other circumstances or persons shall not be affected thereby.

Mr. VORYS. Mr. Chairman, I understand there are nine amendments at the desk. I ask unanimous consent that all debate on title I and all amendments thereto close in 54 minutes, with 3 minutes allotted to the proponent of each amendment and 3 minutes for the committee.

Mr. GOFF. I object, Mr. Chairman.

Mr. HERTER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I shall not take the entire 5 minutes, but I take this time in order to ask a question. There appears in the section that we are just finishing up now a provision dealing with the local currencies which are deposited as a counterpart for the grants-in-aid that are made to these various nations. I have always felt, and the Select Committee has always felt, that the constructive use of these local currencies could, perhaps, be one of the most important functions performed in the entire bill looking toward the recovery of the various nations.

I want to compliment the committee on the very good wording with which they have handled this matter; very much better than in the bill as it came from the other body. But, I do want to ask the chairman of the committee this one question: In view of the fact that the final disposition of these currencies as provided for in this section must come by concurrent action of the two branches of the Congress, does not the chairman of the committee assume that the United States Government either has title to those currencies or joint title to those currencies, in order that the Congress may have a say in the final disposition thereof?

Mr. VORYS. Answering the gentleman's question specifically, may I say somewhat with regret that the provision as drafted does not vest legal title to these funds and control of their use solely in the United States, but does provide for the establishment of a special ac-

count in each country subject to joint control of its disposition.

May I say without telling tales after school that I as one of the members of the Herter committee felt exactly as the gentleman did as to the use of these currencies. Language was proposed which would carry out more fully that viewpoint, but that language was not adopted. However, there was compromise language adopted which I feel is an improvement on the Senate language but which does not provide clearly that title is in the United States. As a technical legal matter, I would say it does leave title in the other country subject to joint control and veto by the United States.

Mr. HERTER. Nevertheless, the gentleman would agree that there is an implied joint title, or else the Congress cannot assist in making the final disposition.

Mr. VORYS. I agree to that.

Mr. HERTER. Mr. Chairman, I do not want to delay the proceedings any longer, but I feel that I ought to say a word or two in regard to the select committee. When this bill has been disposed of, the purpose for which the select committee was appointed will have been accomplished. I think it is only right before we finish our consideration of this bill to pay a word of tribute to the hard work, the diligence, and to my mind the very able and effective way in which the members of that committee contributed in their reports to the knowledge of the Members of the House of the over-all subject we have been discussing. A very large number of the recommendations, not in legislative form but in general form, that were made by that committee are contained in this bill. In view of the fact that that was a committee selected for one purpose only, and is now shortly going out of existence, I wanted to utilize this occasion to express my appreciation as the acting chairman of that committee overseas of the very fine service the members of that committee, in my opinion, rendered to the House as a whole.

Mr. DEVITT. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DEVITT:

Page 93, line 14, strike out "may" and insert "shall."

Page 93, line 14, strike out the comma after "used", and strike out "in the discretion of" and substitute therefor "by."

Page 93, line 15, strike out the first "and."

Page 94, line 4, after the period add "Where practicable" and strike out "may" and substitute therefor "is authorized and directed to."

Page 94, line 11, after the period add the following: "The Secretary of State, after consultation with the Administrator, shall make agreements where practicable with the participating countries for the free entry of such supplies and relief packages. The execution of such agreements by the participating countries shall be a condition precedent to the receipt of assistance under this title."

Mr. VORYS. Mr. Chairman, I ask unanimous consent that debate on this amendment close in 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.



Mr. VORYS. Mr. Chairman, may I say to the gentleman from Minnesota [Mr. DEVITT] that I understand from members of the committee who have studied his amendment that there is no objection to it.

Mr. DEVITT. Mr. Chairman, this amendment is intended for two purposes. First, to make it mandatory for the Administrator of the Economic Cooperation Act of 1948 to provide ocean-free transportation and to defray port charges on relief supplies furnished by voluntary nonprofit relief agencies and on individual relief packages from the United States to Europe, and to make mandatory the execution of agreements between the Administrator and the recipient countries by the terms of which moneys in the so-called revolving fund shall be used to pay the transportation charges for such supplies and relief packages from the point of arrival in Europe to the place of residence of the addressee. The objective is accomplished by substituting the word "shall" for the word "may" and the expression "is authorized and directed" for the word "may" in the pertinent places.

The second objective of the amendment is to require the Secretary of State and the Administrator to make agreements with the participating countries for the free entry of such supplies and packages, and to make the execution of such agreements a condition precedent to the receipt of relief by the participating countries.

In support of the first purpose, it is urged that the principle of encouraging the giving of individual relief through private relief agencies and through the sending of gift packages is a sound and meritorious one and will contribute much to international good will. At the same time it will lighten the relief burden of the Government of the United States by shifting a part thereof to the shoulders of the people of this country. This carries out my concept of the humane obligation of the peoples of the United States to help their brethren in need in the devastated countries of the world.

Many Members of the Congress have introduced bills to provide proposals such as this. If the principle is a sound one, the Congress should not leave it to the discretion of the Administrator as to whether or not the principle should be made effective. Under the terms of the bill as drafted, the Administrator is vested with discretion. Hence the use of the word "may." I believe the Congress should express itself as being unequivocally in favor of the injection of this principle into the relief bill.

The second purpose sought to be served, that of making it mandatory to make the entry-free agreements, is prompted by the action of many of the 16 ERP countries in recently raising their barriers against the free entry of articles normally shipped by private relief organizations and usually contained in gift packages. It is appalling to note the extremely high import duties imposed even on the necessities of life, such as food, clothing, and medicines. By way of example, it should be pointed out that Great Britain imposes a 20-

percent ad valorem tax plus a 33-percent purchase tax on all used cotton, wool, linen, and articles of clothing. Even used silk and rayon is taxed the sum of 20 percent. One carton of cigarettes is taxed at the rate of \$6.50 a carton. Ordinary kitchen soaps are taxed from 15 to 25 percent. Why should the recipients of relief packages be obliged to pay such onerous taxes as a condition to receiving them from their American benefactor?

In the Benelux countries many recent changes in their laws and regulations will have the effect of making it prohibitive for people in need in those countries to receive gift packages because of the huge taxes that must be paid. On January 1 of this year the Benelux tariff act went into effect. An import tax of 6 percent is charged on the landed-cost value of the packages sent, increased by the amount of the import taxes. The import taxes vary with the articles contained in the packages. The governments of these countries are generous enough to waive the import tax in the case of a gift package of the value of \$1.90 or less.

A tremendous number of relief packages are being sent to Sweden and Norway, but still those two Scandinavian countries do not have any specific law or decree permitting the free import of gift packages. In the case of Norway, the only duty-free articles are "natural curios, globes, planetariums, books, and picture books not printed in Norwegian." What good would these items be to persons in need in Norway? Rayon stockings are taxed \$1.08. Roasted coffee is taxed 9 cents a pound. Printed cotton fabrics are taxed 15 percent. Wool stockings, scarves, and sweaters are taxed 30 percent. In addition to these taxes, excise taxes and surtaxes are applied in many cases. Approximately, the same is true in Sweden. It should be remembered that thousands of pounds of parcel post gift packages are sent into these countries every month. For instance, in October of 1947, 4,826,684 pounds of parcel post were dispatched to civilians in Great Britain. During the same period Norway received 336,302 pounds and Swedish citizens received 255,055 pounds from generous benefactors in the United States.

It is suggested that some of the European countries have recently raised their import duties and taxes for the selfish purpose of protecting their own markets. One of the very purposes of the ERP bill is to tear down the tariff barriers between countries; we have urged the formation of customs unions between the European countries. For us to acquiesce in this conduct to the detriment of our own citizens who are generous enough to send relief packages and supplies would be inconsistent and in derogation of the principles of the whole international relief effort.

For the United States to provide some \$6,000,000,000 of relief to these European countries and then at the same time to permit the governments of these countries to charge such burdensome taxes on the sending of essentials to life in gift packages to those countries, is an anomalous situation. I propose by this amend-

ment to require that the recipient countries, as a condition precedent to the receipt of relief, execute agreements with the Secretary of State providing for the free entry for such supplies and gift packages of such size, weight, and contents as the Administrator shall prescribe. Mind you, this is not a provision for a blanket entry of goods into these countries, but rather the granting of an authority to the Administrator to execute agreements for the free entry of necessities and essentials of life so that the pauperized recipients will not be burdened with the payment of taxes on their gift parcels.

I urge that the amendment be adopted.

Mr. FULTON. Mr. Chairman, will the gentleman yield?

Mr. DEVITT. I yield.

Mr. FULTON. In order to clarify this, you are by your amendment on line 14 saying that the funds made available for the purposes of this title shall be used by the Administrator under rules and regulations prescribed by him to pay for port charges and ocean freight transportation on these packages that will be sent abroad.

Mr. DEVITT. The gentleman is correct.

Mr. FULTON. Those of us on the committee who have studied the gentleman's amendment agree with it. But I would like to ask if you would add a definition of what those port charges are in the United States by inserting on page 93, line 16, after the words "United States" "including handling costs from the post office at the port terminal to ship's side."

Mr. DEVITT. I have no objection. I will agree to the definition of port charges.

Mr. FULTON. The committee, then, has no objection to the gentleman's amendment.

Mr. KEATING. Mr. Chairman, will the gentleman yield?

Mr. DEVITT. I yield.

Mr. KEATING. I commend my able colleague for having introduced this amendment which I know will go far toward helping those who are seeking to assist their friends and relatives overseas. I had a similar amendment at the Clerk's desk which I am very happy to withdraw in order to lend my support wholeheartedly to the effective effort which my good friend from Minnesota is making by his amendment toward achieving an objective for which he has labored with such zeal.

Mr. DEVITT. I appreciate the gentleman's remarks.

Mr. REES. Mr. Chairman, will the gentleman yield?

Mr. DEVITT. I yield.

Mr. REES. This same subject matter has been before our Committee on Post Office and Civil Service. I hope the amendment that has been offered will take care of that particular problem. I, too, had an amendment at the Clerk's desk, but in view of the fact that this amendment has been agreed to by the committee, I shall withdraw mine in favor of the amendment offered by the gentleman from Minnesota.

Mr. DEVITT. I thank the gentleman. I should probably say to the gentleman



from Kansas that in addition to the ocean-freight transportation, this amendment also provides that as a condition precedent to receiving relief, these foreign countries shall agree with the Administrator and the Secretary of State to waive all charges and import fees which are usually charged.

Mr. REES. Will this permit individuals as well as groups to send these packages?

Mr. DEVITT. That is correct.

Mr. SADOWSKI. Mr. Chairman, will the gentleman yield?

Mr. DEVITT. I yield.

Mr. SADOWSKI. This means that there will be two classes of citizens in the United States, those who will send free packages to their relatives in Germany and those of our citizens who will not be able to send gift packages postage free to their relatives in Warsaw, Czechoslovakia, and Yugoslavia, is that right?

Mr. DEVITT. That is a situation over which I have no control, I might say to the gentleman.

Mr. SADOWSKI. Do you think that is good American legislation, making class distinctions among your constituents and saying to the needy recipients or rather to the constituents who would send these packages to these needy recipients, "You can send gift packages," and then to another group of your constituency saying, "You cannot send packages"?

Mr. DEVITT. Mr. Chairman, I cannot yield further to the gentleman. I understand the gentleman's question. I am sure it would not be germane to this subject if I were to include in this bill provisions for countries which are not included under the Marshall plan. These provisions are limited only to the 16 countries coming under that plan. As the gentleman from Kansas, the chairman of the Committee on Post Office and Civil Service, has advised there is in his committee a bill which would cover the other countries. This bill only covers the 16 European countries.

Mr. SADOWSKI. Those benefits should be extended alike and equally to all destitute people. There should be no question of class distinction.

Mr. FULTON. Mr. Chairman, will the gentleman yield?

Mr. DEVITT. I yield.

Mr. FULTON. The committee has prepared an amendment to take care of just such a situation. It will be offered by the gentleman from Ohio [Mr. Vorvys] so that under it CARE packages can be sent to all countries and so we do help them. So the gentleman's comments are not quite accurate. There is no distinction between any classes of citizens who might send relief under the CARE amendment which is to be submitted by the committee.

Mr. DEVITT. May I say I read the gentleman's amendment, and I wonder if it only pertains to the participating countries.

Mr. FULTON. Not the CARE packages. They can be sent any place, even outside of the participating countries.

Mr. Chairman, in view of my previous remarks, I ask unanimous consent that the gentleman's amendment may be amended to include inserting a comma

and the words "including handling costs from the post office at the port terminal to ship's side."

With that amendment, the committee has no objection.

The CHAIRMAN. Does the Chair understand the gentleman's statement to be a unanimous-consent request to modify the amendment?

Mr. FULTON. That is correct.

Mr. DEVITT. I agree to the modification, Mr. Chairman.

The CHAIRMAN. The Clerk will report the modification.

The Clerk read as follows:

On page 93, line 16, after the words "United States", insert a comma and the words "including handling costs from the post office at the port terminal to ship's side."

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The CHAIRMAN. The question recurs on the amendment as modified.

The amendment, as modified, was agreed to.

Mr. GATHINGS. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. GATHINGS. Mr. Chairman, it was my distinct privilege last fall during the recess of Congress to go to Europe in company with five of my distinguished colleagues on the Agriculture Committee. We were privileged to travel widely and, in the course of our committee work, we talked to many, many people and made countless first-hand observations.

On the basis of what I saw, heard and felt, I returned home believing that this country was under a great misapprehension as to actual conditions in Europe. A blanket of sentiment, which was inspired either by propaganda or by the simple generous impulses of the people of this Nation, has descended on this country and we were weeping national tears for the plight of the "starving Europeans."

On the basis of my observations on the continent of Europe, I could not follow this sentiment. Europe, as I saw it, was not starving, or naked, or cold—not to any degree which could rationalize the mass hysteria of tears which was being stimulated. It is true, conditions in the occupied zones were still far from happy and in some instances they could be classified as critical.

Given a good crop year, a mild winter and other conditions of agriculture normalcy, the countries of Europe, I felt, could repossess themselves of their national vitality and struggle to their feet, without any coddling from our own country.

I reported these conditions as I saw them to the people of my district. I took the case directly to them and gave them the situation as I saw it realistically. I told them that I was opposed to any costly relief program and thought that it was not needed and that the interests of this country could best be served by rigorous attention by the Government to

shortages which have been hampering our farm production for many months.

I told the people of my district frankly that I did not believe that this country could buy the friendship of other nations. I still believe that and I shall oppose any attempt on the part of this Nation to woo with dollars the affections of a foreign nation. Dollars will not purchase friendship.

At the time of its inception, the plan proposed by the distinguished Secretary of State, General Marshall, had the color and odor of a financial romance. We were proposing to buy the affections of distressed—but recovering—Europe with an outlay of dollars never before dreamed of in peacetime. We were told that \$18,000,000,000 to \$20,000,000,000, over a period of approximately 5 years would be the price of sealing this friendship.

Every observation which I made in Europe has turned out to be accurate. Europe's food, health, and food problems—to quote the most recent press dispatches—are in better over-all shape than at any time since hostilities. And that is before one penny of permanent Marshall-plan funds are expended. This condition, of course, has been aided by a mild winter, but there is no denial of the fact that conditions generally improving in a gratifying manner.

Since my return from that trip, however, a great and terrible force has begun to spread over the continent of Europe, crushing nation after helpless nation and thrusting into despair others that, so far, have been spared the iron hand of the aggressor.

I now feel that this country can no longer take the risk of a slow, if normal, recovery of the remaining free nations of Europe. The process of recovery must be speeded up so that it can keep pace with, or, under better circumstances, surpass the rapidly spreading menace of Red Russia.

It seems to me, therefore, that it is incumbent upon this Nation, in the name of salvation, to assist the free nations of Europe to combat the Soviet disease. It must be recognized, in the light of the swiftly moving events now going on in Europe, that such is the only course of enlightened self-interest.

We have observed with what deadly accuracy, and ease, the Soviet aggressor swallowed up the free nation of Czechoslovakia in recent weeks. Already its bloodless conquests of Poland, Bulgaria, Yugoslavia, and Rumania have become almost forgotten incidents. Now we see the Russian bear poised to move into little Finland when the moment suits its purposes. We are fearful of the situation in Communist-ridden Italy.

Sweden, Denmark, and Norway, already heavily under trade pacts with the Soviet Union, may yet find that you can no more do business with Stalin than you could do business with Hitler. Little Austria teeter-totters to keep its head up against the communistic flood. Part of it is already lost.

Yes; the events of the past months and the dreadful promise of even more of these terrible events makes decisive action by this country imperative. The Marshall plan, I have sincerely concluded, is our one major hope of salva-



tion for what is left of free Europe and for our own country.

There are two reasons which prompt my support of this plan. First, I believe it has now become necessary to stem the tide of communism in Europe. Second, I believe that the economic welfare of the farmer of this country is dependent on the export market which we hope can be kept alive by constructive economic assistance to the nations that would share the bounty of the Marshall plan.

Farmers of this country have already been hit by the scarcity of dollars abroad. This cannot continue. To him, the farmer, the loss of his European markets for cotton, tobacco, wheat, flour, corn, hogs, and fruit would be a catastrophe. To lose the market still to be had in Europe would greatly depress prices for those major commodities.

Under normal conditions, Europe is responsible for half of the world's trade. Out of that percentage, directly and indirectly, the farmers of the United States prosper. Thirty-five to forty percent of the goods we sold abroad in 1938—the last normal year—went to the 16 countries that will share in the Marshall plan.

The National Cotton Council recently pointed out that—

The people of the Cotton States have an interest in this program that is \* \* \* direct and immediate. We are now producing exportable surpluses of both cotton and cotton goods. If the countries of Europe and Asia are not put on their feet so they can continue to take these products, surpluses again will start quickly piling up to plague our industry.

I believe that this plan, properly administered, has the possibility of spelling the difference between peace and democracy and war and communism in Europe. If it is carried out as it should be, it holds the promise of bringing about a world stability without which our own country stands first to lose its own economic prosperity and, second, our peace.

If we couple this program with a strong air force, a system of universal training to give us a strong reserve of manpower, and if we once and for all serve notice on the Soviet Union that her aggression must cease, then, I believe, in years to come it will be called the creator of peace and prosperity—at least in our time.

I should like to repeat the words of the distinguished senior Senator from Michigan, the Honorable ARTHUR VANDENBERG, whose efforts have made the writing of a sane and sensible bill possible. Senator VANDENBERG has declared of this measure:

It is a plan for peace and stability and freedom. As such it involves the clear self-interest of the United States. It can be the turning point in history for 100 years to come. If it fails, we have done our final best. If it succeeds, our children and our children's children will call us blessed.

Mr. GOFF. Mr. Chairman, I offer an amendment, which is at the desk.

The Clerk read as follows:

Amendment offered by Mr. GOFF: On page 99, between lines 1 and 2, insert the following:

**"JOINT CONGRESSIONAL COMMITTEE**

"SEC. 124. (a) There is hereby established a joint congressional committee to be known as the Joint Committee on Foreign Economic Cooperation (hereinafter referred to as the

committee), and to be composed of seven Members of the Senate to be appointed by the President of the Senate, and seven Members of the House of Representatives to be appointed by the Speaker of the House. In each instance, not more than four members shall be members of the same political party. A vacancy in the membership of the committee shall be filled in the same manner as the original selection. The President of the Senate and the Speaker of the House, acting jointly, shall appoint a chairman and a vice chairman from among the members of the committee.

"(b) It shall be the function of the committee to make a continuous study of the programs of United States economic assistance to foreign countries, and to review the progress achieved in the execution and administration of such programs. Upon request, the committee shall aid the several standing committees of the Congress having legislative jurisdiction over any part of the programs of United States economic assistance to foreign countries; and it shall make a report to the Senate and the House of Representatives, from time to time, concerning the results of its studies, together with such recommendations as it may deem desirable. The Administrator, at the request of the committee, shall consult with the committee from time to time with respect to his activities under this act.

"(c) The committee, or any duly authorized subcommittee thereof, is authorized to hold such hearings, to sit and act at such time and places, to require by subpoena or otherwise the attendance of such witnesses and the production of such books, papers, and documents, to administer such oaths, to take such testimony, to procure such printing and binding, and to make such expenditure as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per hundred words. The provisions of sections 102 to 104, inclusive, of the Revised Statutes shall apply in case of any failure of any witness to comply with any subpoena or to testify when summoned under authority of this subsection.

"(d) The committee is authorized to appoint and, without regard to the Classification Act of 1923, as amended, fix the compensation of such experts, consultants, technicians, and organizations thereof, and clerical and stenographic assistants as it deems necessary and advisable.

"(e) There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this section, to be disbursed by the Secretary of the Senate on vouchers signed by the chairman."

On page 99, line 4, strike out the number "124" and insert the number "125."

Mr. VORYS (interrupting the reading of the amendment). Mr. Chairman, I think this is the same text as is set forth in a similar section in the Senate bill, and I therefore ask unanimous consent that it be considered as read and printed in the RECORD at this place.

Mr. GOFF. That is true. These are the identical words found on page 45 of the Senate bill.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

(The Clerk concluded the reading of the amendment.)

Mr. GOFF. Mr. Chairman, the entire Senate bill was stricken out. You will notice at the bottom of page 44 of the printed bill, section 23 of the Senate bill provides for reports to Congress and that section 24 provides for a special joint congressional committee.

Before I proceed further let me state that I am in favor of the bill that has already been read, and I expect to vote for it. I feel there is a good chance we can insure the formation of a military and an economic front in western Europe against communism. I want to congratulate the members of our Foreign Affairs Committee on the excellent job they have done under very difficult circumstances. I do not agree with everything in the bill, but I expect to vote for it. You will note that the House committee left out the Senate provision for a special joint committee while adopting the other provisions of the Senate bill at the end of title I.

Mr. MACKINNON. Mr. Chairman, will the gentleman yield?

Mr. GOFF. I yield.

Mr. MACKINNON. The gentleman's amendment in effect sets up a watchdog committee, does it not?

Mr. GOFF. That is right; this is the watchdog committee referred to in the Senate bill, and I think that all of us here see the value of the excellent services rendered by the Herter committee. The gentleman from Massachusetts stated this afternoon that his committee was in effect discharged. I think the House, on a matter as important as this, could well keep some substantial special group in addition to our regular committee looking over the shoulder of this new executive agency that we are setting up.

It seems to me that this House has profited by the work of this committee outside of the regular Foreign Affairs Committee and that the doubts in the minds of many in voting for this measure are due to the fact that many of us are worried about the administration.

This is the identical provision found in the Senate bill. Although I hesitate to do so, I would suggest that the Speaker might well appoint the gentleman from Massachusetts [Mr. HERTER] of this committee, and might select the gentleman from Georgia [Mr. COX], who has some doubts about the communistic tendencies of those who might serve under the Administrator. I feel that this House has profited from the general dissemination of knowledge that this House has received from the select committee that has studied our foreign-aid program and could well adopt the Senate proposal.

Mr. Chairman, I yield back the balance of my time.

Mr. EATON. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, under the Reorganization Act under which we are now operating, it is provided that each committee of this House which is a constitutionally recognized agent of the House shall follow up its legislation and shall see that it is properly administered. I object with all my strength to the appointment of a watchdog committee to take from the various committees of this House their constitutional functions and their rights.

This legislation when it is passed will be followed up by the Committee on Foreign Affairs, as our foreign program has been; and that is the only observation that is required.



We do not need a watchdog committee composed of folks from the other end of the Capitol as well as here. We are responsible people. Let me read the provision of the Reorganization Act under which we are operating:

Legislative oversight by standing committees (sec. 136 of Reorganization Act):

To assist the Congress in appraising the administration of the laws and in developing such amendments or related legislation as it may deem necessary, each standing committee of the Senate and the House of Representatives shall exercise continuous watchfulness of the execution by the administrative agencies concerned of any laws the subject matter of which is within the jurisdiction of such committee; and for that purpose shall study all pertinent reports and data submitted to the Congress by the agency in the general executive branch of the Government.

We are operating under the Reorganization Act, and to appoint a watchdog committee is uncalled for. I do not like the name to start with. It is a reflection upon our integrity and our intelligence. I am strongly opposed to the adoption of this amendment and I hope it will be defeated. I would like to call attention to the fact that in all legislation I have endeavored to protect the dignity and constitutional functions of the Appropriations Committee, of the Foreign Affairs Committee, and of the entire House of Representatives. I, therefore, hope that the amendment will be defeated.

Mr. McCORMACK. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, it seems to me that the able argument of our distinguished friend from New Jersey [Mr. EATON] is very convincing. Let me read one part of this amendment. How generous it is on the part of the Special Joint Committee on Economic Cooperation:

Upon request, the committee shall aid the several standing committees of the Congress.

Mark you how generous they are. Look at what it does to every standing committee. It puts this special committee over and above every standing committee of the House. That includes not only the Committee on Foreign Affairs and the Committee on Appropriations, but it might include the Committee on Ways and Means, it might include other committees.

In other words, this is a supercommittee over every other standing committee of this body that might have anything to do with the administration or consideration of this law. It seems to me that is very, very far reaching.

We have provided in this bill that each year there shall be appropriations. There would have to be an authorization in order that the Foreign Affairs Committee in addition to the Appropriations Committee retain original jurisdiction as a matter of right, not as a matter of sufferance. Under the legislative reorganization bill all that is to be done is for the Committee on House Administration upon request of the Committee on Foreign Affairs to appropriate money for the Committee on Foreign Affairs to continue a check, and I think that should be done, operating as a full committee or through subcommittees. So this divests the Committee on Foreign Affairs of its rightful jurisdiction.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Minnesota.

Mr. JUDD. Is it not also true that this special committee would have no power to bring in legislation and all of the work would have to be done twice?

Mr. McCORMACK. Exactly.

Mr. JUDD. Then it would be turned over to the standing committee to deal with the matter.

Mr. McCORMACK. Yes.

Mr. GOFF. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Idaho.

Mr. GOFF. It seems to me there are some people here whose feelings are too easily hurt. Certainly there was no intention on my part to reflect upon the committee. It does seem to me that in a matter as important as this the House is entitled to advice when there are agricultural matters and when there are so many other phases to this great recovery program. We are entitled to this information and the committee should welcome the advice and service of this special committee provided for in the Senate bill.

Mr. McCORMACK. I agree that the gentleman did not intend to offend, but we are considering results. I had not even thought about the Committee on Agriculture being involved, but I find it is. So this committee will have more far-reaching jurisdiction than I thought.

Mr. MONRONEY. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Oklahoma.

Mr. MONRONEY. Is it not a fact that a vote for this amendment would be as a matter of fact a vote of no confidence in the standing committees of the House? There are certain overlapping duties of committees, but we are meeting that confusion and overlapping. There is the Committee on Full Employment that is taking jurisdiction of matters over which the Banking and Currency Committee has jurisdiction.

Mr. VORYS. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Ohio.

Mr. VORYS. On this question of thinking we can improve things and venting our feelings and voting our lack of confidence in standing committees by creating new committees, is just like the statement "Officer, call a policeman."

Mr. McCORMACK. I can imagine this supercommittee going to my friend the gentleman from New York [Mr. TABER] and saying: "We will aid you." I can imagine JOHN TABER looking them in the eye and saying: "You will not. We will do our work ourselves."

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

The Chair recognizes the gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Chairman, can you imagine a joint committee of 14? I have served on joint committees more or less for the last 20 years. Frankly, except for the bringing out of certain information of a general character that the

Byrd committee brings out, I have never known joint committees to accomplish any effective results. The more committees you have involved in doing a job of this kind, the more opportunity there is for the Committee on Foreign Affairs to feel that it has no responsibility and that it does not pay any attention to its job, and the more you have of other committees butting in, the more you make the Committee on Appropriations feel that it has no responsibility and does not have a job to do.

Let me say to you that when this thing comes to me after this bill is passed, I intend to go into the need of every nation before recommending funds to the House. I intend to go into the capacity of the United States to provide for this program, and I am going to give you an illustration of how that might work. There is no individual today who can tell what we can possibly provide for the countries across the water on a wheat basis. It is probable that the budget will not be up here on this proposition before the middle of April and that we cannot conclude our operations on the budget estimate and have the bill in here much before the 10th of May, no matter how hard we work. Around that time we will be able to learn something about what the wheat crop is going to be, and make an intelligent recommendation as to what this country might be able to provide. Today we cannot. I hope that the membership realizes the importance of that statement and how necessary it is that these things be kept in mind when the final appropriations are provided. It is very important. If we are going to do that, we will have to take the responsibility for it, and whether we do it right or not, is up to us. We cannot do it and have some other committee running around trying to follow it up.

Mr. EATON. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from New Jersey.

Mr. EATON. It would be impossible for any sane man to imagine a better watch dog than JOHN TABER. He would have to be a thoroughbred, and he has not been bred yet anywhere in the world.

Mr. TABER. I thank the gentleman. I do not claim any greatness. I do not claim anything except a willingness to try to do the best I know how and work just as hard as I can to protect the people, and the Treasury of the United States, and that I intend to do if this responsibility comes to me as the result of the passage of this bill.

I intend to do what is the job of the Appropriations Committee, and I am sure that the Foreign Affairs Committee and the Members of this House expect us to do it. I hope the thing will not be muddled up by putting in a super-joint committee.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Idaho [Mr. GOFF].

The amendment was rejected.

Mr. VORYS. Mr. Chairman, I understand there are six amendments to this title on the Clerk's desk. I ask unanimous consent that the debate on this title be limited to 6 minutes on each of those amendments, 3 minutes for the



proponent of the amendment and 3 minutes for the committee. May I say that we have other legislation to complete this evening in addition to this, and we must proceed with the greatest of speed.

Mr. PHILLIPS of California. I object, Mr. Chairman.

Mr. VORYS. Mr. Chairman, I so move.

The CHAIRMAN. The question is on the motion offered by the gentleman from Ohio.

The motion was agreed to.

Mr. PHILLIPS of California. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. PHILLIPS of California:

Page 97, strike out lines 12 to 24, inclusive, and on page 98 strike out line 1, and insert in lieu thereof "Sec. 122 (a) The powers conferred upon the Administrator by or pursuant to (a) of section 111 of this title expire June 30, 1952, and must be renewed by concurrent resolution of the two Houses of Congress before June 30, 1949, and annually thereafter, unless the two Houses of Congress, by the passage of a concurrent resolution, declare that the powers conferred upon the Administrator by subsection (a) of section 111 are no longer necessary for the accomplishment of the purposes of this title; except that during the 6 months following such date, commodities and services with respect to which the Administrator had, prior to June 30, 1949, authorized procurement for, shipment to, or delivery in a participating country, may be transferred or delivered to such country and funds appropriated under authority of this title may be obligated during such 6-month period for."

Page 98, line 8, strike out "12 months" and insert in lieu thereof "6 months."

Mr. PHILLIPS of California. Mr. Chairman, I am still trying to prevent the very unfortunate situation which would exist 1 year from today unless, in my belief, and I think the belief of other Members here, some change is made in the wording of the bill. There are two parts in this suggested amendment. Let me say, in order to save my time and the time of the committee, that this bill goes from this House into conference, and any changes in the language would unquestionably be supported by this House and by the Senate. What I want to talk about is the intent of the amendment. I am not attempting to reargue the question of whether it should be 1949 or 1952. The House has decided that. I am trying to put into the bill now these two changes so that a year from now, if the situation internationally is not satisfactory, this House will not have to take affirmative action to stop aid, but will just let the bill die out without action. In other words, I am saying in this amendment that in order to continue the aid under this bill beyond June 30, 1949, and up to June 30, 1952, an affirmative resolution of the Congress is necessary. You know very well that if this is not adopted and if a year from now, we should desire to stop aid to any country or to all countries, those countries would simply look at the action today and say "You promised us aid until June 1952, and you are reneging on the firm promise of the United States." I am trying to prevent that. That is the first part of the amendment.

The second part of the amendment is one which I consider of very minor importance. I think it is desirable, but if there is any argument over it, I would simply strike it out of the amendment. The second part of the amendment says that instead of having a year after the expiration of the time under the bill to continue to send things abroad which we had agreed to send abroad or started to send abroad, that 6 months is adequate time. If this bill operates for 1 year and then stops, it seems to me that we could get all of the commodities abroad that we had agreed to send abroad, in the following 6 months instead of a year. Remember, the only time we would want to exercise that provision would be if we were not satisfied with the conditions in those countries.

Mr. Chairman, I think this is an important amendment in view of the conditions that exist today, and the conditions that may exist a year from today.

We should make the continuance of this aid depend on affirmative action.

Mr. VORYS. Mr. Chairman, I rise in opposition to the amendment, but also in admiration for the gentleman's persistence. This is the third time this afternoon that we have passed on this one. It is another 1949 amendment except with some new trimmings and attachments which would cause a will-we, will-we-not state of utter confusion if it should be adopted. If the next Congress wants to repeal this law, they can do so. But let us not try to put in a half-and-half repealer or extender such as is proposed here. We voted on this twice before. I urge that the amendment for the third time be voted down, and I hope for the last time this afternoon.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. PHILLIPS].

The question was taken; and on a division (demanded by Mr. PHILLIPS of California) there were—ayes 47, noes 78.

So the amendment was rejected.

Mr. MUNDT. Mr. Chairman, I offer a committee amendment which is at the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. MUNDT: On page 94, line 12, strike out subsection d.

Mr. MUNDT. Mr. Chairman, the reason I am striking this out is because we wrote this language in earlier in a slightly revised form as you will recall, yesterday, as a substitute for the Colmer amendment, and this will simply clean up the bill so that the same amendment does not appear in different language in different parts of the bill, although it has the same intent. So I ask that this perfecting amendment be adopted.

The CHAIRMAN. The question is on the amendment offered by the gentleman from South Dakota [Mr. MUNDT].

The amendment was agreed to.

Mr. HARRIS. Mr. Chairman, I offer an amendment, which is at the desk.

The Clerk read as follows:

Amendment offered by Mr. HARRIS: On page 94, line 12, add a new section:

"Sec. (d). The Administrator is directed to refuse delivery from the United

States to participating countries any materials or money therefor, for the development of petroleum resources unless and until the Secretary of Defense shall have certified to the Administrator in writing that such delivery is necessary and desirable in the interest of national security."

Mr. HARRIS. Mr. Chairman, this amendment grew out of a colloquy on the floor yesterday between myself and the acting chairman of the committee and others who participated in the issue raised as to the utilization of this fund for the development of the petroleum resources in the Middle East particularly. This is a question of steel being made available for development and if we are going to give it to British companies. I have endeavored to get answers to my questions. The gentleman from Ohio [Mr. VORYS] has sought to obtain information. I think he has some information, the best he was able to obtain, and I now yield to him for the purpose of giving whatever information he has.

Mr. VORYS. Mr. Chairman, my information is that the total petroleum equipment askings or requirements from the European countries is \$2,120,000,000, of which \$1,260,000,000 is to be available from the said countries, and the balance, \$860,000,000, is to be supplied from the United States.

No list of this equipment has as yet been received by our officials, and no amount has yet been approved to go for such equipment. I am further informed of the fact, that has been brought out so well in the report of the Interstate and Foreign Commerce Committee, dated February 27, that the United States is now producing and consuming, roughly, two-thirds of the world's total petroleum supply, and that under these conditions the primary problem for the United States is to shift European consumption, as far as possible, from the rapidly draining resources of the United States and the Western Hemisphere, to the Middle East.

Mr. HARRIS. That is the objective and in order to meet that situation with reference to the allotment of the available steel for the development of petroleum resources, this amendment was offered. After discussing it with the gentleman from Ohio [Mr. VORYS] I understand he has no objection to it.

Mr. VORYS. I hope this has come out of the gentleman's time, because I find myself in this position: I myself have no objection to the gentleman's amendment. I do not think it is necessary. I understand there may be others on the committee who do object to it, and I would not want, in the confusion, to foreclose them of an opportunity for presenting their views.

Mr. HARRIS. I appreciate that.

Mr. VORYS. But I have no objection.

Mr. HARRIS. The only thing I am trying to do is to clarify the controversy as to availability of goods to develop petroleum resources in order that petroleum, through the regularly established industry procedure, may be developed in order to save the European countries in this recovery program.

I hope the amendment will be accepted.

The CHAIRMAN. The time of the gentleman from Arkansas has expired.



Mr. MONRONEY. Mr. Chairman, I rise in opposition to the amendment.

We are about to do something in the closing minutes of this debate on the bill, 3 minutes' debate, which I think will seriously jeopardize the success of the entire Marshall plan.

I come from an oil-producing district. I know that we have oiled two world wars with Western Hemisphere oil, and we are running out. We have to go down to 12,000 and 14,000 feet now to get a decent oil production.

This effort in the Marshall plan, this \$800,000,000 earmarked for oil-production machinery, is to help Europe produce some of its own oil, and stop draining the Western Hemisphere oil. Now, let us be reasonable and honest. This is an embargo, actually, against all oil machinery.

Mr. HARRIS. This is not an embargo on oil equipment for the development of petroleum resources, this is merely an amendment which says that these funds cannot be spent for equipment to be sent to the British concessions in the Near East for British development at American expense.

Mr. MONRONEY. All right, I will take the gentleman's word that none of these funds can be expended, which means you cannot make an Export-Import Bank loan, you cannot have any money under the Marshall plan.

We are talking about a plan to make up the deficiency of the balance of payment. Yes; the British oil companies are rich in pounds sterling. The Dutch Shell is rich in guilders, but they are all poor in American dollars. They cannot buy this equipment without help under the Marshall plan or under the Export-Import Bank.

The United States is the only country that makes oil-well equipment, drilling equipment. It is sold only for dollars—not pounds, francs, or guilders.

We can either export our own oil over a long sea lane and further reduce our own supply or we can let them have a little of this oil equipment and develop some of their own resources. In Holland they have some small oil wells which could be developed.

These countries need to be able to buy with their own Dutch guilders or French francs or British pounds sterling their own oil and to develop their own indigenous products.

We should make it possible for them to do this and save the drain on our own natural resources, our own dwindling supply of oil. And also to save the drain on their very scarce supply of American dollars.

Let us be reasonable and look at this thing a while longer so that we may know exactly where we are going.

I ask that the amendment be voted down.

The CHAIRMAN. The time of the gentleman from Oklahoma has expired, all time on this amendment has expired.

The question is on the amendment offered by the gentleman from Arkansas.

The question was taken; and on a division (demanded by Mr. HARRIS) there were—ayes 14, noes 59.

So the amendment was rejected.

Mr. VORYS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. VORYS: Page 94, line 11, after the period insert the following: "The Administrator is authorized in his discretion to reimburse United States voluntary nonprofit relief agencies which are registered with and recommended by the Advisory Committee on Voluntary Foreign Aid for operations in Europe and which deliver relief packages from stock piles abroad, in the amount, or any portion of the amount, of the expense of furnishing the delivery service for such packages to stock piles abroad, and the Administrator may make an agreement with any participating country in which the voluntary relief agencies above described function for the use of a portion of the local currency deposit above described, for the purpose of defraying the cost of furnishing the delivery service for such relief packages from the port of entry in such country to the place of storage therein, and to the designated shipping point of the consignee therein."

The CHAIRMAN. The gentleman from Ohio is recognized for 3 minutes in support of his amendment.

Mr. VORYS. Mr. Chairman, we have a Subcommittee on Voluntary Relief of the Foreign Affairs Committee.

I will ask the gentleman from New York [Mr. JAVITS], who is a member of this subcommittee and who has conferred with CARE and with the State Department officials and is very well prepared, to explain this amendment.

Mr. JAVITS. Mr. Chairman, the purpose of the amendment is simply to clarify the situation with respect to a magnificent American agency called CARE which efficiently stockpiles packages for the relief of individuals overseas at an economy to those who purchase those packages in this country, and then delivers them out of stock piles overseas.

The committee will notice that by the section which is now sought to be further amended it is already provided that the Administrator will take care of some of the charges of individual shippers who are shipping relief packages abroad, and we have also provided for United States voluntary, nonprofit relief agencies, which make the same kind of shipments.

CARE operates in a unique way in the sense that it does not ship each individual package from the United States but ships the packages in bulk for stock piling; hence it is essential to give them some consideration because they do not fit into the pattern which is laid out in this section of the bill for other voluntary agencies and individuals. The Administrator is to work out with CARE how much of the cost of the delivery service is to be borne from the United States to the place of stock piling, then where the stock piling takes place in such countries as are participating in the ERP, to work out the amount of local currency deposits to be used to cover the cost of the delivery service. It helps CARE to do the same job which we want the other American voluntary agencies and American individuals who are shipping packages today, to do, and tries to work out some basis of accommodation with these other agencies by the terms of the amendment.

Mr. FULTON. Mr. Chairman, will the gentleman yield?

Mr. VORYS. I yield to the gentleman from Pennsylvania.

Mr. FULTON. As chairman of the Subcommittee on Voluntary Aid of the Foreign Affairs Committee I also believe that in this legislation we should take care of that good, efficient agency, CARE. CARE has done a magnificent job and has been able because of its policies, to ship at lower cost than ordinary individuals sending packages over there. Also this amendment will broaden the scope of assistance for shipments abroad as shipments may go to wherever CARE is operating.

Mr. VORYS. With this amendment added to the language in the bill it will facilitate as far as is possible the sending of private packages over there, either individually or through reputable agencies?

Mr. FULTON. Yes. It will give them every help.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. HAYS. Mr. Chairman, I move to strike out the last word. If it were not for this amendment CARE would be required to make a revolutionary change in its shipping arrangements. For this reason I am very happy that the amendment has been offered and hope it will be adopted.

Mr. JAVITS. The gentleman is quite right.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. HAYS. I yield to the gentleman from Michigan.

Mr. DONDERO. I desire to ask what amount CARE has taken care of by way of packages sent to foreign people that will aid them, either in tons or number. Can the gentleman give us that information?

Mr. JAVITS. I am advised by CARE that the business that is being done by it is approximately \$30,000,000 a year; and in the 2 years they have been in business they have delivered over 4,000,000 packages. It is doing a magnificent job.

Mr. HAYS. The amount of private contributions to Europe over a period of time has been almost 2 billion dollars, a magnificent record.

Mr. BUCK. Mr. Chairman, will the gentleman yield?

Mr. HAYS. I yield to the gentleman from New York.

Mr. BUCK. Is this restricted to participating countries or does it also apply to countries behind the iron curtain?

Mr. JAVITS. It covers everywhere that CARE operates, except as to the local currency-deposits provision, where it only applies to participating countries.

The CHAIRMAN. The time of the gentleman from Arkansas has expired.

The question is on the amendment offered by the gentleman from Ohio [Mr. VORYS].

The amendment was agreed to.

Mr. SMITH of Ohio. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SMITH of Ohio: On page 95, line 13, after the period add the following: "Whenever the Administrator finds that any country receiving aid under this act transacts any business, or has any relations with the Union of Soviet Socialist



Republics, Yugoslavia, Rumania, Czechoslovakia, Bulgaria or any of the Russian satellites shall forthwith be denied all further such aid."

Mr. SMITH of Ohio. Mr. Chairman, the question is whether this Congress means business or whether it does not; whether or not we are going to have a foreign policy that makes sense and is really in the interest of this country. Unless a restriction is placed in the bill limiting the aid provided under it to countries that have severed all relations with Russia and her satellites, much of the goods we supply them will find its way into those areas; or what amounts to the same thing, goods produced in the recipient countries will go there.

There is no question about it. Has not the United States already done enough to strengthen Communist Russia? It was a fatal mistake to provide her with lend-lease without attaching to it those conditions that a sovereign nation demands, and we are paying the price for that folly now. Shall we run the risk of further enhancing the power of Communist Russia? Let the Record show that not all Members are blind to this grave danger. My amendment would protect the United States against making the same colossal blunder this body made in providing Russia with lend-lease without attaching thereto conditions vital to our preservation.

I ask: Are we in earnest? Are we opposed to communism, really, or are we not? If we are, let us take a stand on the side of those countries that show a willingness to cut loose from Russia and communism and socialism and refrain from helping any political authority based on collectivism.

Mr. DONOHUE. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Ohio. I yield to the gentleman from Massachusetts.

Mr. DONOHUE. Can the gentleman advise the House if Russia at the present time is exacting reparations from any one of the 16 countries which will participate under this program?

Mr. SMITH of Ohio. Is she exacting reparations?

Mr. DONOHUE. Yes; war reparations.

Mr. SMITH of Ohio. I think she is exacting some war reparations.

I believe if every Member of this House would inform the citizens of his district of the cost to them of this \$17,000,000,000 Marshall plan it would not pass.

The scheme will cost the taxpayers of my district, the Eighth Ohio, \$28,210,798. Mine is a typical district, mixed urban and agricultural. It consists of Crawford, Hancock, Hardin, Marion, Morrow, and Wyandot Counties. The cost of the Marshall plan to each of these counties will be as follows:

Marion County	\$6,914,292
Hancock County	6,282,122
Crawford County	5,477,934
Hardin County	4,167,394
Wyandot County	2,959,572
Morrow County	2,409,484

And this is just a starter for another foreign give-away scheme.

When UNRRA was first being considered it called for an appropriation of

\$1,350,000,000. We were told that would rehabilitate the European countries. I told the committee that had the bill under consideration no one should be surprised if the cost to us for rehabilitating Europe would reach 5, 10, or even 20 billion dollars. Already roundly \$25,000,000,000 has been provided for that purpose.

So the \$17,000,000,000 Marshall plan should be considered as just another shot in the arm to be followed by more and bigger United States taxpayer dollar injections as time goes on. If the cost to the Eighth Ohio Congressional District ultimately reaches \$40,000,000, or \$70,000,000, or \$100,000,000, no one should be surprised.

My conscience would not possibly let me vote to fasten this additional tax burden on the backs of the people that I represent, especially when you stop and think the Eighth Ohio Congressional District's share of the \$255,000,000,000 national debt amounts to \$448,000,000, or \$2,450 for every person in my district.

This scheme will not only fail to halt communism in Europe or anywhere else but will definitely have the effect of promoting it abroad and at home as well.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. BATES of Massachusetts. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. BATES of Massachusetts. Mr. Chairman, as we near the close of this momentous and dramatic debate, on the European-recovery provisions of this bill, the eyes of free and democratic peoples the world over look longingly to Washington, and await with confidence our decision to take definite action for the American people in the name of peace, stability, and freedom.

There can be no doubt as to the realization by the Congress of the monumental problem ahead, of its responsibility in the world economy, the burdens that will be placed upon our peoples. These and many other phases of the task facing us have been clearly brought forth during the past few days and weeks, during which the world pattern has seen striking changes, new frontiers, and further clashes in ideologies, that have brought us close to the path of a new and terrible conflict.

In my opinion, the paramount need for the European recovery plan is that it be a cooperative effort to deal with the basic causes of tyranny and war, in a Europe which is still submerged in a state of disruption and where wars have smashed the vast and delicate mechanism by which its countries made their living.

While the Kremlin strives to spread its iron curtain and tyrannical tentacles the world over, we seek through the European recovery plan to maintain our own welfare and security by assisting nations to feed themselves and aiding them to reestablish their economic health and thereby save themselves from the yoke of communism.

Sixteen European nations have already taken steps to help themselves, and the record of the western allies, in earnestly attempting to find a secure foundation for such common action, is convincing testimony to their good faith and their sincerity of purpose. The European recovery program is the lift that we feel will help put across the drive to reestablish Europe and pave the way to permanent peace and prosperity.

In the light of the magnitude of the program of European assistance and its cost to the American taxpayers, we must assure Americans that the plan is not being used to aid any governments whose economic theories and practices do not conform to our ideal of free enterprise; we must insist on a continuing check to make certain that nations being helped are meeting their pledges of self-help; that funds are not corruptly or improperly used; and that goods do not flow into the black market. Further, that efficient and businesslike methods of operation are pursued by those governments. I firmly believe that the plan should be administered by an independent agency of the government and composed of top grade businessmen, the best that can be found available for the job.

The United States has already spent billions to fight totalitarianism. The job is still unfinished, and we must decide whether to stop or carry on. In my opinion, the grave decision behind the European recovery plan is whether the United States is prepared to help western Europe attain an economic stability which will enable it to resist Communist pressure and violence, or whether to leave these nations to division and conquest.

There can be no doubt whatsoever that if we fail to make possible the return of western Europe to self-support, then the free peoples of western Europe will be forced to turn in large part to the east for survival. Do nothing, and you will encourage hunger, poverty, desperation, and chaos, upon which communism feeds.

Communism seeks world domination. It knows no boundary lines. It cares not for our principles, ideals, and American way of life. The threat to Europe today may be the threat to America tomorrow, unless we have the vision and foresight to act now. It is in the interest of our own security as we look ahead over a period of years, that this bill should be enacted into law.

Mr. MUNDT. Mr. Chairman, unfortunately the gentleman from Ohio who just spoke was not in the chamber yesterday when we had our long debate on this very issue, and after which action was taken which goes about as far as we can now go to correct what has been a bad situation.

I do not believe anybody is going to accuse me of being pro-Russian. I do not think that my record of service on the House Committee on Un-American Activities would indicate that I have been in favor of communism. Many will recall that just a week ago today I took the floor for more than 30 minutes and exposed the shipments they were loading on a Russian freighter at Jersey City,



N. J., for Russia, which I ardently opposed, because they were war potentials and machine tools. But this amendment offered by the good doctor from Ohio does not deal with war potentials.

Here is what this amendment says. It says that the Administrator will have to deny aid to any of the participating countries which transact any business or have any relations with the Soviet Union. In other words, if some citizen of Paris should by accident write a letter to a citizen of Moscow and, perchance, get a reply, or even without a reply, he would invalidate the whole French community from partaking in the program. It is an effort to do something which we did, I think, in a rather intelligent manner yesterday, Doctor. We passed an amendment here which prohibits the reshipment of any of these supplies from participating countries to Russia if they are of such a nature that we in turn deny them to Russia from here. In addition, we give to the Administrator veto power to carry out the intent of Congress that from this country there shall not go to Russia anything of a war potential. I see no reason to discourage peaceful trade with Russia in supplies which are definitely not adaptable to military uses.

Mr. SMITH of Ohio. The gentleman used the word "legerdemain." What does the gentleman mean by that?

Mr. MUNDT. If the gentleman has violent opposition to the term "legerdemain" I will be happy to withdraw it and just refer to legislation.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio [Mr. SMITH].

The amendment was rejected.

Mr. PLOESER. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. PLOESER. Mr. Chairman, I look upon the European recovery program, not as an insurance premium against communism or war in Europe, but as the payment of loss for the grievous errors of our foreign policy management. To this loss we have become morally committed. Regardless of the wording of this bill I accept that commitment for 1 year and here and now state my reservation beyond that period. I accept such commitment for 1 year and with reasonable amount feasible within our economic ability until a change in administration can bring sound thinking and more noble action. If the payment can in a measure prevent further deterioration of our foreign relations in Europe, I hope to find full justification for my vote. All in all it is the bitter cost of incompetency in high places in our Government. But then we have been forewarned for years by the blunders of one President compounded by his successor.

Mr. DONOHUE. Mr. Chairman, the principal reason, as I see it, why we must advance aid for an economically stable Europe is that it is a prerequisite condition to the maintenance of the civilization in which the American way of life is rooted. This reason is the controlling

one and the one which must determine whether or not the United States is to embark on a program of aid of sufficient magnitude to enable the attainment of a real European recovery.

I do not believe any voice here will dispute the truth of Gordon Sewell's statement that:

Europe is a spiritual conception. In the rich pattern of this culture there are many strands—the Hebrew belief in God; the Christian message of compassion and redemption; the Greek love of truth, beauty, and goodness; the Roman genius for law.

After our hairbreadth rescue of the soul of Europe from the menace of Hitler's deadly attack, we cannot now allow her collective Christian consciousness and personality to disintegrate and in desperation yield to the aggressor from the east.

The economic illness of Europe, and the prolonged inability of the peoples of Europe to see clearly in the future a time when economic health and hope will be restored, have served to intensify a political struggle between those who wish to remain free men living under the rule of law and those who presume that tolerable living conditions can only be regained by ruthless subjection of the individual to the omnipotent state. There is no doubt that the 16 countries which participated in the Paris Conference on European Economic Cooperation want to preserve their heritage of free political institutions and the rule of law. To do so they must recover from the economic and social effects of the war.

The next few years can determine whether the countries of Europe will, in fact, be able to hold to their heritage. Economic collapse, spreading through Europe, may persuade the peoples of these countries to accept the counsel of despair that their basic wants of food and work can be met only by the subjection of their rights under law to totalitarian control. The countries of Europe are not yet in a position to fill for themselves their essential needs for food and fuel and the materials to enable their industries to function adequately. They cannot produce all these needs in Europe. Their exports cannot yet pay for them. They cannot purchase them from their depleted or exhausted capital reserves. A large part of the basic requirements for the western European countries can at this time only be met by United States aid. This presents to us a responsibility and a challenge. Western Europe looks to the United States for the extraordinary yet temporary support needed during these critical years to permit it to regain economic vitality and an environment in which free institutions can persist.

It must be observed that our adoption of this proposed recovery program can do no more than provide the promise of recovery; it cannot assure recovery. The assurance of success rests primarily on the determination of Europe to work out its salvation with such help as we give. There can be no success without whole-hearted effort on the part of the western European peoples themselves.

The program admittedly faces many risks. Those who believe that they stand to gain politically from unrest and chaos

in Europe have openly declared their intention to use all means at their disposal to cause the failure of any program of European recovery based on American assistance. Such a design, were it to succeed, would result in the demoralization of a continent. It would postpone and endanger peace. It would destroy the present hope of an ultimate world rule of law under the Charter of the United Nations.

The United States has taken a leading part in the creation and evolution of the United Nations. The goals of the United Nations Charter are, in fact, the goals of United States foreign policy. It is the firm intention of our Government to conduct its foreign policy in accord with the Charter of the United Nations.

In no respect is this more true than in proposing support to a cooperative endeavor for European economic recovery—an endeavor which was open at the start, and remains open, to all European nations prepared to work fully toward the common goal. Meanwhile, the United States has been and is supporting fully the efforts going forward in the United Nations and its related agencies to assist the economic recovery of Europe.

The very structure of the United Nations requires the economic well-being of the countries which participated in drawing up a program for European recovery. These 16 nations number among them two of the five great powers with special responsibilities under the Charter for the maintenance of the peace, and smaller powers which have contributed most vitally over the centuries to the very concept of peace under a universally accepted rule of law.

The stake of the American people in the success of the European recovery program is great. A small fraction of the vast quantities of the resources of the United States which were expended in the conduct of two successive world wars, ventured now in a cooperative endeavor of free and vigorous peoples, offers the high hope of achieving through European recovery that climate of world peace and stability with justice which was not achieved by the material and human sacrifices which brought military victory in those two wars.

While the risks are real, they must be faced with courage and boldness. Without an essential margin of American assistance, western Europe cannot be expected to achieve economic and social recovery, the foundation for the maintenance of the institutions of freemen. The rise of totalitarianism would not be stemmed; it would be fostered by economic want and desperation. If totalitarianism were to sweep Europe, its repercussions throughout the world would operate slowly but inexorably to compel adoption by the United States, in its own defense, of measures inconsistent with American traditions and the opposite of American hopes. With the persistent slow progress of freemen thus brought to a pause, there could in the future be little justice, no stability, hazardous and transient peace, and the ultimate degradation of the subordination of men to state.

Because of the reasons I have just outlined, Mr. Chairman, and with the sin-



cere conviction that this European recovery program is a measure to prevent war and preserve peace, I am going to vote in favor of this legislation.

At the same time I wish to emphasize to my colleagues that while we are proposing to meet the challenge abroad, we must not neglect our duty and responsibility to our own people here at home. Our aid to afflicted Europe will only be effective in accordance with the measure of the good spirit and sacrifice of the American people behind it.

If we can afford to entertain such a large-scale program for European relief, we surely can and must work out the solution for our many domestic problems. The veteran in whose ears the turmoil of war is not yet dimmed, and who is again facing the possibility of recall, is still without a home for himself and his family. What can we ask or expect from them, and the rest of our people, if we do not provide them with adequate housing? What enthusiasm can we look for from the average working man and woman unless we raise their minimum wage to a reasonable cost-of-living level? With what enticement shall we exhort the great army of labor, that performed so magnificently during the recent war, to rally to this cause if we continue to surround them with legislative restrictions inciting difficulty and discord? There is crying need for extending through our social-security system enlargement, such help as will enable our handicapped and aged citizens to face their lives with hope and confidence. The tax measure we recently voted on is in substance only a reminder that our whole tax structure is in desperate need of study and revision to correct existing inequities. The cost on too many of our basic products is exaggerated and unjust.

Mr. Chairman, I do not desire to take up any more time at this period, but I would have felt remiss in my responsibility if I did not dwell for a moment on the vital needs of our own people in the midst of this debate on the proposal to extend substantial recovery aid to Europe.

I wish to reemphasize with all the energy I can command that unless we devote ourselves, without delay, to a full program of relief from the burdens now resting heavily upon our own citizens, our saving gestures toward Europe shall be made in vain.

Mr. VORYS. Mr. Chairman, I ask unanimous consent that all Members may have five legislative days in which to extend their remarks at appropriate places in the record of this great debate, provided their insertions do not impinge upon the remarks already made.

The CHAIRMAN. That permission will have to be given in the House.

Mr. VORYS. May I say to the Committee that I shall obtain that permission in the House. The question about extensions of remarks has been asked me a number of times.

Mr. Chairman, I ask unanimous consent that the reading of the remainder of the bill, titles II, III, and IV, be dispensed with, that these titles be printed in the Record, and that they be open to amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Titles II, III, and IV are as follows:

#### TITLE II

Sec. 201. This title may be cited as the "International Children's Emergency Fund Assistance Act of 1948."

Sec. 202. It is the purpose of this title to provide for the special care and feeding of children by authorizing additional moneys for the International Children's Emergency Fund of the United Nations.

Sec. 203. The President is hereby authorized and directed any time after the date of the enactment of this act and before July 1, 1949, to make contributions (a) from sums appropriated to carry out the purposes of this title, and (b) from funds made available pursuant to the proviso in the first paragraph of the first section of the joint resolution of May 31, 1947 (Public Law 84, 80th Cong.), as amended, to the International Children's Emergency Fund of the United Nations for the special care and feeding of children.

Sec. 204. No contribution shall be made pursuant to this title or such joint resolution of May 31, 1947, which would cause the sum of (a) the aggregate amount contributed pursuant to this title and (b) the aggregate amount contributed by the United States pursuant to such joint resolution of May 31, 1947, to exceed whichever of the following sums is the lesser:

(1) 50 percent of the total resources contributed after May 31, 1947, by all governments for programs carried out under the supervision of such fund; or

(2) \$100,000,000.

Sec. 205. No contribution shall be made pursuant to this title or such joint resolution of May 31, 1947, unless, at the time of such contribution, governments other than the United States Government have provided for use in the world program for the special care and feeding of children under the supervision of the fund at least 20 percent of the total resources contributed by governments for such use after May 31, 1947.

Sec. 206. Funds made available pursuant to such joint resolution of May 31, 1947, shall remain available through June 30, 1949.

Sec. 207. There is hereby authorized to be appropriated to carry out the purposes of this title for the fiscal year ending June 30, 1949, the sum of \$60,000,000.

#### TITLE III

Sec. 301. This title may be cited as the "Greek-Turkish-Chinese Assistance Act of 1948."

Sec. 302. Paragraph (2) of section 1 of the act entitled "An Act to provide assistance to Greece and Turkey" (61 Stat. 103), is hereby amended to read as follows:

"(2) by detailing to the United States Missions to Greece or Turkey or China under this Act, or to the governments of those countries in implementation of the purposes of this act, any persons in the employ of the Government of the United States; and while so detailed, any such persons shall be considered, for the purpose of preserving his rights and privileges as such, as an officer or employee of the Government of the United States and of the department or agency from which detailed. Traveling expenses of such personnel to and from the place of detail shall be paid by the Government of the United States. Such personnel, and personnel detailed pursuant to paragraph (3) of this section, may receive such station allowances or additional allowances as the President may prescribe; and payments of such allowances heretofore made are hereby validated. No citizen or resident of the United States may be employed, or if already employed, may be assigned to duties by the Secretary of State under this

act until such individual has been investigated as to loyalty and security by the Federal Bureau of Investigation and a report thereon has been made to the Secretary of State: Provided, however, That any present employee of the Government, pending the report as to such employee by the Federal Bureau of Investigation, may be temporarily assigned to duties under this act for the period of 6 months from the date of the enactment of the Greek-Turkish-Chinese Assistance Act of 1948. The preceding sentence shall not apply in the case of any officer appointed by the President by and with the advice and consent of the Senate."

Sec. 303. Paragraph (3) of section 1 of the act entitled "An Act to provide assistance to Greece and Turkey" (61 Stat. 103), is hereby amended to read as follows:

"(3) by detailing to the United States Missions to Greece or Turkey or China under this act, or to the governments of those countries in implementation of the purposes of this act, a limited number of members of the military services of the United States to assist those countries, in an advisory capacity only; and the provisions of the act of May 19, 1926 (44 Stat. 565), as amended, applicable to personnel detailed pursuant to such act, as amended, shall, except as otherwise provided herein, be applicable to personnel detailed pursuant to this paragraph;"

Sec. 304. (a) Subsection (a) of section 4 of the act entitled "An act to provide assistance to Greece and Turkey" (61 Stat. 103), is hereby amended by adding at the end thereof the following: "The Reconstruction Finance Corporation is authorized and directed to make additional advances, not to exceed in the aggregate \$50,000,000 to carry out the provisions of this act in such manner and in such amounts as the President shall determine. No interest shall be charged on advances made by the Treasury to the Reconstruction Finance Corporation for this purpose."

(b) Subsection (b) of section 4 of the act entitled "An act to provide assistance to Greece and Turkey" (61 Stat. 103), is hereby amended by deleting "\$400,000,000" and inserting in lieu thereof "\$675,000,000" and by inserting after the word "repaid" the following: "without interest."

(c) There is hereby authorized to be appropriated to the President not to exceed \$150,000,000 to carry out the provisions of the act of May 22, 1947 (Public Law 75, 80th Cong.), as amended, in relation to China.

Sec. 305. The act entitled "An act to provide assistance to Greece and Turkey" (61 Stat. 103), including the title thereof, is amended by inserting before the word "Greece", wherever appearing therein, the following: "China,". *Provided, however*, That this section shall apply neither to the preamble of such act nor to the amendments to such act made by sections 302 and 303 of this title.

#### TITLE IV

Sec. 401. This title may be cited as the "China Aid Act of 1948."

Sec. 402. Recognizing the intimate economic and other relationships between the United States and China, and recognizing that disruption following in the wake of war is not contained by national frontiers, the Congress finds that the existing situation in China endangers the establishment of a lasting peace, the general welfare and national interest of the United States, and the attainment of the objectives of the United Nations. It is the sense of the Congress that the further evolution in China of principles of individual liberty, free institutions, and genuine independence rests largely upon the continuing development of a strong and democratic national government as the basis for the establishment of sound economic and political conditions and for stable international economic and political relationships. Mindful



of the advantages which the United States has enjoyed through the existence of a large domestic market with no internal trade barriers, and believing that similar advantages can accrue to China, it is declared to be the policy of the people of the United States to encourage the Republic of China and its people to exert sustained common efforts which will speedily achieve the internal peace and economic stability in China which are essential for lasting peace and prosperity in the world. It is further declared to be the policy of the people of the United States to encourage the Republic of China in its efforts to maintain the genuine independence and the administrative integrity of China, and to sustain and strengthen principles of individual liberty and free institutions in China through a program of assistance based on self-help and cooperation: *Provided*, That no assistance to China herein contemplated shall seriously impair the economic stability of the United States. It is further declared to be the policy of the United States that assistance provided by the United States under this title should at all times be dependent upon cooperation by the Republic of China and its people in furthering the program: *Provided further*, That assistance furnished under this title shall not be construed as an express or implied assumption by the United States of any responsibility for policies, acts, or undertakings of the Republic of China or for conditions which may prevail in China.

SEC. 403. In addition to the amount authorized by section 11 (a) of the Foreign Aid Act of 1947 (Public Law 389, 80th Cong.), appropriations in the amount of \$420,000,000 are hereby authorized for assistance to China under such act until June 30, 1949, and such act is hereby amended accordingly: *Provided*, That—

(a) paragraphs (1), (2), and (3) of section 4, section 10, and section 11 (b) of the Foreign Aid Act of 1947 shall not apply with respect to China;

(b) the agreement provided for by section 5 of the Foreign Aid Act of 1947 (1) shall, to the extent practicable, make appropriate provision for the matters covered by paragraphs (1), (2), (4), (5), (7), (8), (9), and (10) of subsection (b) of section 115 of title I; and (2) may contain such other undertakings by China as are necessary to improve commercial relations between China and the United States, consistent with the purposes of this title: *Provided*, That the provision for the disposal of any unencumbered balance of local currency deposits provided for in section 5 (b) of the Foreign Aid Act of 1947 shall not be effective with respect to China until September 30, 1949;

(c) the authority to procure or provide for the procurement of commodities for China shall include authority to procure or provide for the procurement of such other commodities and services in addition to those specified in section 3 (a) of the Foreign Aid Act of 1947 and for the furnishing of technical assistance as the President deems necessary for the accomplishment of the purposes of this title;

(d) without regard to the provisions of section 5 of the Foreign Aid Act of 1947, assistance under such act may be provided for China during the 3 months following the date of enactment of this act when the President determines it to be essential in furtherance of the purposes of this title;

(e) the provisions of sections 104, 105, 107, 110, 111 (c) (1), 112, 113, 117, 119, and 121 of the Economic Cooperation Act of 1948 shall be applicable to the furnishing of assistance for China under the Foreign Aid Act of 1947 in the same manner and to the same extent as such provisions are applicable to the furnishing of assistance to participating countries under the Economic Cooperation Act of 1948;

(f) when it is determined that assistance should be extended under the provisions of this title on credit terms, the Administrator for Economic Cooperation shall allocate funds for the purpose to the Export-Import Bank of Washington, which shall, notwithstanding the provisions of the Export-Import Bank Act of 1945 (59 Stat. 526), as amended, make and administer the credit on terms specified by the Administrator in consultation with the National Advisory Council on International Monetary and Financial Problems. The Administrator shall make advances to, or reimburse, the Export-Import Bank of Washington for necessary administrative expenses in connection with such credits. The bank shall deposit into the Treasury of the United States, as miscellaneous receipts, amounts received by the bank in repayment of principal and interest on any such credits. Credits made by the Export-Import Bank of Washington with funds so allocated to it by the Administrator shall not be considered in determining whether the bank has outstanding at any one time loans and guaranties to the extent of the limitation imposed by section 7 of the Export-Import Bank Act of 1945 (59 Stat. 529), as amended;

(g) notwithstanding the appropriation made by the Third Supplemental Appropriation Act, 1948, for foreign aid, the provisions of section 11 (d) of the Foreign Aid Act of 1947 shall be applicable for carrying out the provisions of this act;

(h) not less than 5 percent nor more than 10 percent of the funds made available for the purposes of this title shall be used to carry out the purposes of section 404.

SEC. 404. The Secretary of State, after consultation with the Administrator, is hereby authorized to conclude an agreement with China establishing a Joint Commission on Rural Reconstruction in China, to be composed of two citizens of the United States appointed by the President of the United States and three citizens of China appointed by the President of China. Such Commission shall, subject to the direction and control of the Administrator, formulate and carry out a program for reconstruction in rural areas of China, which shall include such research and training activities as may be necessary or appropriate for such reconstruction. *Provided*, That assistance furnished under this section shall not be construed as an express or implied assumption by the United States of any responsibility for making any further contributions to carry out the purposes of this section.

SEC. 405. There shall be established in China a special mission under the direction of a chief who shall be responsible for assuring the performance within China of operations under this title, and who shall take rank immediately after the chief of the United States diplomatic mission in China. The chief shall be appointed by the Administrator, shall receive his instructions from the Administrator, and shall report to the Administrator on the performance of the duties assigned to him. He shall keep the chief of the United States diplomatic mission in China fully and currently informed on matters, including prospective action, arising within the scope of the operations of the special mission; and the chief of the diplomatic mission in China shall keep the chief of the special mission fully and currently informed on matters relative to the conduct of the duties of the chief of the special mission. The chief of the special mission shall also keep the Administrator, the Secretary of State, the chairmen of the Senate Foreign Relations Committee, the House Foreign Affairs Committee, the Senate Appropriations Committee, and the House Appropriations Committee currently informed concerning his activities. The chief of the United States diplomatic mission will be responsible for assuring that the operations of the special

mission are consistent with the foreign policy objectives of the United States in China and to that end whenever the chief of the United States diplomatic mission believes that any action, proposed action, or failure to act on the part of the special mission is inconsistent with such foreign policy objectives, he shall so advise the chief of the special mission. If differences of view are not adjusted by consultation, the matter shall be referred to the Secretary of State and the Administrator for decision.

Mr. MANSFIELD. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MANSFIELD: On page 101, line 3, to page 104, line 5, strike out all of title III.

Mr. MANSFIELD. Mr. Chairman, I ask unanimous consent to proceed for five additional minutes.

Mr. VORYS. I object, Mr. Chairman. Mr. MANSFIELD. Mr. Chairman, I rise at this time in support of the amendment striking title III from the measure now before us.

After reviewing the European situation very carefully—both in person and as a result of committee hearings—I have come to the conclusion that the Marshall proposals offer a possible solution to the difficulties of western Europe. I have based my decision, in this respect, on three factors: one, it is a humanitarian measure which will provide relief to peoples who are subsisting on a near or semistarvation basis and are not in a position to help themselves; two, it will provide for the economic rehabilitation of Europe, allow those nations to take their rightful place in the world's economy and give employment, hope, and security to their populations; and three, it is necessary in the interests of our own national security to take this "calculated risk" so that these countries will not, on the basis of insecurity, hunger, and chaos move into the satellite area through pressure and intimidation from minority groups whose real loyalties lay not with their respective countries but with the U. S. S. R.

This program, as it applies to western Europe, does not offer an assured success. It is, I repeat, a calculated risk and we stand to appropriate a sum of between fifteen and twenty billion dollars over a 4¼-year period in the hope that it will succeed. The alternative to this proposal is the loss, by default, of all of western Europe and the isolation of our country.

What will this alternative, this isolation, mean to us? It will mean that we shall have to spend much more than contemplated under the Marshall proposal in strengthening our own defenses; it will mean that our natural friends in western Europe will be lost to us, perhaps irretrievably; and it will mean depression at home, the possible rise of a state-controlled economy, and the loss of many of the privileges which we, as Americans, have always felt were rightfully ours.

On the basis of these arguments and because the 16 nations of western Europe have made a real effort to evaluate their needs on a cooperative basis and because I feel this program offers a road to a real peace, I support the proposals of Secre-



tary Marshall and the recommendations of the American committees which have considered and approved this program.

For 7 weeks we held intensive hearings on the program for western Europe. Then, after we had finished with ERP—the European recovery program—we held hurried hearings on military assistance to Greece and Turkey, economic assistance to China, and additional assistance to the occupied countries. On at least three occasions the Democratic minority tried to report out the European recovery program, but on every attempt we were voted down on a straight party basis. It was the contention of the Democrats that we had spent enough time on the European hearings and that, because of the urgent necessity for immediate action, we should report this measure out, get it passed, and then begin considered hearings on Greece, Turkey, China, and the occupied areas. The Republican majority, however, was determined to bring out a package bill, and, after deliberating 5 minutes on the children's fund, 35 minutes on military assistance to Greece and Turkey, and 2 hours and 10 minutes on economic and military assistance to China, the present bill was reported out.

It is my belief that the committee has reported out a bill about which too many of us know too little. It is my belief, also, that title III, dealing with military assistance to Greece, Turkey, and China, should be stricken from this measure and separate hearings held thereon. The Democratic members of the committee were opposed to a package bill and were also against combining military-aid proposals with legislation for European economic assistance.

This measure is a perplexing combination of economic and military assistance to countries scattered all over the world, and I predict that it can, and will, be used as a precedent to extend our aid to countries, such as Iran and others, not now receiving it.

We are now faced with a dilemma, and we will have to decide the relative importance of Europe and the Far East in our diplomacy. We will have to recognize the fact that our resources are limited and that we will have to decide—as we did during the war—where to place our emphasis and greatest effort. Secretary Marshall has faced up to the same decision he encountered during the war, and has stated that in his opinion western Europe is the most important, and, that while economic assistance should be sent to China, military assistance should not. Just as in the war, the Secretary has had to put up with special pleaders for special areas, and just as his judgment was sound then, so do I think it is now. First things must be met first, and China in the present instance is not first.

In my earlier remarks I stated that ERP was a calculated risk with no assurance of success but only a reasonable possibility. Do we want to include the rest of the world and thus make way for the stretching of our lines on an extremely thin basis with the possibility of failure on all fronts rather than our possible success in Europe? Do we have the resources to carry on a world-wide

program as contemplated in this measure?

Proponents of the China program have merit on their side when they cite the fact that the Communist leaders of China—Mao-Tse-tung, Chou En-lai, Chu Teh, and all the rest, are out and out Marxian Socialists and intend eventually to create a Soviet state. They do not, I believe, have as much merit on their side when they compare China with Greece and say that because we have gone into the latter country we should, for the same reasons, go into China. In Greece we have a small country and a small population; in China we have a country one-third again as large as the United States and a population of 475,000,000. Our policy in Greece is costly and far from successful; our policy in China will, if enacted into law, be far more costly and will have much less chance of success. I do not agree with those who always find fault with our State Department or with Secretary Marshall in their China policy because they are interested in their country's welfare and are doing the best job they can in behalf of the United States. They are fully aware of the possible costs of a China adventure; they have no illusions about what may happen if we embark on this policy; and they know, that once started, the drain on us will be terrific and will have a snowball effect as the years go on. We should be under no illusion that we are supporting a democratic regime and we should realize that many of the Chinese in Kuomintang China will not look upon us as deliverers nor will they welcome our participation in their affairs.

Our study of China should not be on a partisan basis. I should be more than happy to consider a China policy based on the Marshall program which would have a reasonable chance of success and which would give to the Chinese people hope in their national future and security in their daily lives.

In my opinion, too many of those who stand for all-out aid to China are motivated by emotion and not by facts. Too many of these people think the solution to China's problems is a matter of money. Too many of them think the China problem is simple of solution.

The Chinese National Government itself has not come forward with an answer to its problems but has, in effect, adopted a fatalistic point of view. Pei Tsu-yee, a Chinese banker sent to Washington to explain China's needs to the United States Government, stated, "Whatever is given, it will not be enough." Truer words were never spoken.

Recently J. Franklin Ray, Jr., former UNRRA Director for China, compiled some figures for the Foreign Policy Association showing the total American funds spent in China since VJ-day. The total amounted to \$2,000,278,000 and was itemized as follows: \$844,721,000 for military aid, \$907,107,000 for relief, rehabilitation, and trade development, \$155,000,000 for fiscal aid, and \$30,450,000 for educational and philanthropic aid. These figures must include, in addition, large quantities of surplus properties and a nucleus of 271 small ships for the Chinese Navy.

The Chinese Government is operating under the double handicap of a civil war and a badly shaken, deteriorating economy. These difficulties cannot be overcome by help from the outside alone but must be met and conquered largely by the Chinese themselves. Any American aid should be conditioned by adequate reforms instituted in fact, and not on paper, for the benefit of the Chinese people. This, in turn, will strengthen the Nationalist Government, give the support needed to win the civil war, and thereby bring about the creation of a strong and united China.

Much has been made of the statement that you cannot make the Chinese do anything, and criticism has been leveled at General Marshall because he tried to make the Nationalist Government do certain things. Certainly we should have the right to lay down conditions in China, Greece, and elsewhere if we want to see the greatest good come from our contributions.

Secretary Marshall and every student of China knows that the present Kuomintang government has become conditioned to a constant expectation of continued American aid. This conditioning breaks down the initiative of any government and makes it more dependent than ever on outside assistance for survival. Furthermore, it all too often holds back the reforms in behalf of the people which should be expected of any good government.

Many Americans have recognized the bad psychology of this type of dependence. Nevertheless, and in spite of the record, the Republican Party in this Congress has shown a great inclination to break up any effort which might cause the Kuomintang any anxiety. This inclination extends even to the Republican candidates for the Presidency, all of whom are for aid to China with no questions asked and no obligations expected. Even if conditions were attached to this aid the real political and economic reform will ultimately have to come from the Chinese themselves. To date little has been done along these lines.

American businessmen in China are in an unhappy situation. They have to contend with state-controlled or powerful family-controlled businesses, and they have to depend on a commercial treaty which offers them no protection nor guarantees security.

It has been stated that with additional American help the Kuomintang could win the civil war. This, I believe, is open to question. American-trained Chinese divisions have been wasted; political incompetents have been placed in charge of Chinese armies, and good military commanders have been deprived of their divisions. Furthermore, much American material has found its way into the hands of the Communists; and, perhaps in the last analysis, we will find that indirectly we have supplied a large portion of the war material they have used. The questions in my mind are: How much of our munitions and planes supplies to the Kuomintang have been put to good use, and how much more can we afford to waste?



The situation in China is not a pleasant one. We can argue here in this Congress from now until doomsday about the merits and demerits of the Chinese problem but we will have to admit eventually that the solution of China's ills will have to come from the Chinese themselves. When that day comes the United States then can embark on a program of aid and assistance which will have some hope of success. Then, on a mutually co-operative basis, the Governments and the people of both countries will be able to respect and assist each other in the maintenance of peace in the Pacific and throughout the world.

In conclusion, I want to say that the European recovery program is based on the carefully worked out plans of free nations for their own economic revival and is not, as is the case in China, a hit-or-miss proposition with little assurance of success. The time has come to decide whether the policy contemplated in this Congress is to be applied on a world-wide scale with little possibility of victory or if it is to be applied to western Europe where we have a reasonable chance for success. The choice is ours.

Mr. Chairman, under unanimous consent granted to me earlier in the day, I am inserting at this point in my remarks a copy of a speech made by me before the Academy of Political Science in New York City on November 12, 1947. The title of this speech is "The Chinese Policy of the United States."

#### THE CHINESE POLICY OF THE UNITED STATES

Misunderstanding of our policy in China arises largely from a failure to understand the nature of American foreign policy itself. Therefore, I think it essential, at the outset, to consider briefly the substance of policy in terms of three components: objective, pattern, and technique. Without a clear comprehension of these distinctions and their respective characteristics, it is difficult to grasp the implications of our China policy or to relate that policy to our activity in other parts of the world.

Let us bear in mind that the objective of American foreign policy is indivisible and constant. Our Government seeks the same ultimate ends whether its policy is operating in Europe, in South America, in Asia, or in the United Nations. Furthermore, the objective has remained unchanged since the dawn of the Republic. It is, in the words of the late President Roosevelt, "to defend the honor, the freedom, the rights, the interests, and the well-being of the American people." An essential corollary to our objective, however, is that, again in the words of Mr. Roosevelt, "We seek no gain at the expense of others. We threaten no one, nor do we tolerate threats from others."

In contrast with the fixity and the universality of the objective, the pattern of American policy, which finds its most vivid expression in our great state papers, is gradually evolving. It is the broad blueprint for action which represents the accumulated wisdom of countless American minds. It is the product of the interests, the hopes, and even the fears, of our whole people.

The slow evolution of the pattern of policy is everywhere in evidence. In Latin America a hemispheric solidarity emerges from the earlier foundations of the Monroe Doctrine. In Europe we move from a concept of isolation to a deep concern in the political and economic fortunes of that Continent. And in Asia, too, there is the same gradual flux of the pattern in the interest of the objective.

The third component of policy—technique—concerns the instruments we use

within the pattern to achieve the objective. It consists of all the measures—diplomatic, political, cultural, and economic—that are employed in meeting the exigencies of international relations. In the last analysis, it includes, too, military measures—whether force, threat of force, or the acquisition of strategic bases. In contrast to the fixed objective and the evolving pattern, the technique of foreign policy must remain flexible, and responsive to changing conditions. Any other course, in a complex and unstable world, would be an invitation to disaster.

With these three distinctions—objective, patterns, and technique—in mind let us examine the historical development of the Chinese policy of the United States. The objective of our policy in China does not differ from the over-all objective of American policy. We are concerned as much with "the honor, the freedom, the rights and interests, and the well-being of the American people" in our relations with China as we are in our relations with Britain, with France, or with Russia.

However, as our interests have broadened and our world responsibilities have increased, the pattern of Chinese policy has undergone a slow evolution. During the early period of our relationships with the Manchu Empire, China was still too remote, too unknown a factor, to loom largely in the thinking of the American people. The initial pattern of government policy reflects largely concern for our shipping interests and the safety of our missionaries. We wanted equal commercial opportunity with European merchants for our traders. When the British opened Chinese ports to their citizens, ours also gained entrance. And when they established extraterritoriality, we did the same. In this early period we avoided annexation of alien territory, resorting primarily to a technique of diplomacy to secure our objective.

By the turn of the century, however, there were indications that equal commercial opportunity was inadequate in the face of mounting imperialistic pressures on China. It was at this point that John Hay circulated his now famous open-door notes among the great powers. And when it became evident that even this step was unlikely to stem the predatory tendencies of other powers, especially Japan and Russia, we expanded the open door to embrace the principle of maintaining the independence and integrity of China. But we soon discovered that diplomacy could operate as a technique for fulfilling this pattern only if there existed a balance of power in the Far East. This balance was upset by the First World War. From that conflict, Japan emerged as a dominant force in eastern Asia.

Nevertheless, at the Washington Conferences of 1922, an attempt was made to maintain the open door and China's independence and territorial integrity through normal diplomatic methods. We sacrificed a part of our military potential in the Pacific, in return for Japan's pledges to forego further expansion. Under the pressure of its military leaders, Japan in 1931 turned from the ways of peace.

For fully another decade, however, we sought to preserve the pattern of the "Open Door" and of China's territorial integrity without resort to military techniques. We wrote notes. We engaged in conversations. We spoke angrily. We spoke softly. But the Japanese military machine rolled onward into Mongolia, North China, the Yangtze Valley, and South China.

By 1940, with Japanese armies straddling the coastline of east Asia from Korea and Manchuria to Indochina—and spearheaded deeply into the body of the continent—and with Europe set aflame by Germany, it had ceased to be a question of maintaining the pattern of our policy. The American people were faced with the inexorable reality of a free America standing alone in a hostile, totalitarian world.

American public opinion began to shift rapidly. So, too, did our technique of policy. To the exhausted diplomatic measures we had taken against Japan, we added economic measures in the form of aid to China and restrictions on trade with Japan. We extended lend-lease to the hard-pressed Chinese and with the Flying Tigers, spread an air cover over their defenseless cities. Finally we reached that point in the tide of history when a reassertion of the pattern of our policy in China and the Far East, coupled with our activities elsewhere in the world, offered the last hope of defending beyond our shores the honor, the freedom, the rights, the interests, and the well-being of the American people.

The complexities of the war involved the United States in the affairs of China to an unprecedented degree. Economic and military problems of the joint struggle against Japan forced our Government to take an increasing concern in the internal problems of China—a course which we would normally have avoided. The United States dealt officially only with the National Government of Chiang Kai-shek to which, theoretically at any rate, the Chinese Communists adhered. Vital considerations connected with the war, however, made it essential for us to try to forestall a rupture in even the theoretical unity of Chinese resistance—a rupture which conceivably could have lengthened the war. There is nothing contestable in this approach. It was essentially the same technique that was employed in France, in Italy, and in Poland. It was predicated on a recognition of the hard reality of the cost of the war in terms of American lives and resources.

While aiding China internally to maintain its unity and to remain in the field against Japan, we were seeking also to build up China's international position in order to prepare the Chinese for a possible expansion of their role in the postwar world. First of all, we recognized China as one of the Big Four of the war against the Axis. In 1943 we abandoned extraterritoriality and wiped out the stigma of Chinese exclusion. At the Cairo Conference, in December 1943 we endorsed the principle of the return of all Chinese territory seized by Japan. Still later we acknowledged China as one of the five great powers in the United Nations. Throughout the war our assistance went exclusively to the central government and we interfered as little as circumstances would permit in internal Chinese affairs. In line with the traditional pattern of American policy, we desired an independent China at the end of hostilities, not an administrative and military appendage of the United States.

But peace found us, notwithstanding our desire to the contrary, deeply enmeshed in Chinese affairs. It was impossible to extricate ourselves immediately with the firing of the last shot. We faced a drastically altered situation in the Far East. The shattering of the Japanese Empire had left a huge vacuum. Into it had rushed new power from Soviet Asia, through Manchuria to Dairen and Port Arthur, and over the border into Korea to the thirty-eighth parallel. On the other hand, American forces occupied Japan, the Ryukyus, and southern Korea. Between these new frontiers of power lay the seething uncertainty of China; a China on the verge of economic collapse and already in the first throes of renewed civil war.

In this chaotic situation, the need for redefining the pattern of our Chinese policy became imperative. It was forthcoming in President Truman's policy statement of December 16, 1945. Linking the Chinese situation to our faith in the future of the United Nations, the President declared that, "It is the firm belief of this Government that a strong, united and democratic China is of the utmost importance to the success of this United Nations Organization and for world peace." Let us consider, for a moment, the



implications of this statement. Is it in accord with the fundamental objective of our foreign policy? It is. The defense of the well-being of the American people is inextricably bound up with the question of the maintenance of peace. Peace, in turn, will be influenced profoundly by the international position and the internal conditions of China. Is it a natural extension of the historical pattern of our policy in China? It is. We have come a long way from the "equal commercial opportunity" through the "open door" and the "maintenance of China's independence and territorial integrity," to the present "strong, united, and democratic China." But this logical and inevitable evolution has developed through the interrelation of our expanded interests, our world position, and our power and the great political changes the world has undergone.

The President's December 16 statement contains two factors that warrant careful examination. There is, first of all, the frank acknowledgment of our obligations to the National Government of China. And secondly there is the whole body of measures and methods with which we hope to realize the pattern of our present policy. It was absolutely essential to aid the Central Government in the transportation of its troops to disarm and to evacuate the Japanese, if for no other reason than that we had committed ourselves to do so. We extended this help in spite of strong counterpressures at home and in the face of violent opposition from the Chinese Communists. We extended it even at the cost of American lives. We would have preferred to help an internally unified China. But in the absence of unity we aided the Central Government exclusively—the Government we had dealt with throughout the war; the Government we recognized as the legal authority of the Chinese nation.

Let us now consider the methods and measures through which we hope to see realized the pattern of a strong, united, and democratic China. I must stress that these measures and methods concern the technique of foreign policy and, consequently, there is no virtue per se in their consistency. Rather, within the limits of our moral and ethical concepts, these measures and methods must remain flexible and adaptable, to meet everchanging problems. I emphasize this because those who delight in pointing out the inconsistencies of our foreign policy usually are thinking in terms of its technique.

Paramount among our methods in China is continued recognition of the National Government and cooperation, internationally, with that government. One need not have access to secret State Department documents to recognize that this procedure is still being followed. In the international field, our support of China's National Government has been impressively steady. We have backed Nanking officially on the reparations issue in Manchuria, and we have sought by diplomatic pressure to assist in the restoration of Chinese administration to Dairen and Port Arthur. Still another evidence of our support for the National Government was given by Secretary Marshall at Moscow in the spring of 1947. He refused to permit the discussion of the China question without the consent of the Chinese. The effectiveness of this measure was attested to by the approving demonstrations which greeted it in Nanking, Peiping, and Shanghai.

Our technique with regard to the internal situation in China is also clearly indicated in President Truman's statement. He has placed primary responsibility for the establishment of peace and unity on the Chinese themselves, and asserted that we will not intervene to influence the course of any civil strife. At the same time he has pointed out that our interest in the peace of the world gives us a concomitant interest in a peaceful China. Therefore, he suggested that

the Chinese take certain steps to promote internal stability. Among these were the cessation of hostilities, the convening of a national political conference to solve the problem of internal unity through a modification of the one-party dictatorship, and finally the integrating of all Chinese armed forces into a national army. To help bring about these changes, the President dispatched General Marshall to China. Further, he held out to a unified China the offer of reasonable aid in economic rehabilitation and assistance in the reconstruction of its military organization.

How adequate is this technique? At first, it seemed on the verge of success. A delicate settlement covering all the major problems of unity was put together with infinite care. Bitterness and hatreds and suspicions of 20 or more years' duration were reconciled at least temporarily. Success was never a certainty. That it had ever become a hope was a remarkable tribute to the pertinacity and wisdom of General Marshall. The shattering of that great hope as you will remember, came in the spring of 1946—at the very moment of fruition. General Marshall had returned to America to report to President Truman. Within a week of his departure from China the Communists were accusing the Nationalists of failing to relinquish one-party control of the Government. And the Nationalists were charging the Communists with attempting to set up a puppet regime in Manchuria.

Actually it matters little now who fired the first shot. General Marshall later blamed the extremists of both parties for the failure of mediation. What is significant is that the most determined efforts of one of our ablest officials had been insufficient to halt the recrudescence of strife. In effect, the break-down of peace condemned the Chinese people to an indefinite continuation of the miseries of the previous 8 years. The vision of peace, which had flared so brightly in the spring of 1946, dimmed steadily during the late summer and autumn. Occasional contacts of opposing forces gave way to skirmishes. Skirmishes grew into pitched battles. Chinese again killed Chinese, and in ever-increasing numbers. We had little to show for our efforts except mounting hostility from large sections of the Chinese people. They vented the bitterness of their frustrated hopes on the peacemakers.

Almost a year to the day after his first pronouncement on China policy, President Truman acknowledged the failure of our efforts to quell the civil war. On December 18, 1946, he issued a second statement indicating that while the basic pattern of our policy still remained, some of the instrumentalities with which we sought to operate would have to be held in abeyance. Since the return of General Marshall, and following the rapid withdrawal of American military forces during the early months of this year, there has been no significant change in our methods of dealing with the Chinese situation. The pattern remains the same: a strong, united, and democratic China. We still actively support, internationally, the sovereignty of China and the government of Chiang Kai-shek. But with regard to the internal situation we have, in effect, retired almost completely to the side lines to wait further developments. If there is a clear indication that out of the chaos there is emerging a hope for the development of peace, unity, and democracy, we are pledged to move in actively with any economic or other aid necessary to support that hope. To date, that hope has not emerged. Civil war now rages throughout North China and Manchuria. Other areas are in a state of incipient separatism. The Communists are resorting to their old extremist tactics of brutal terrorism. And the administrative machinery of the national government, as General Wedemeyer has recently pointed out,

is bogged down in a mire of unparalleled corruption.

That we regret this situation, that we sympathize with the Chinese people goes without saying. But it is equally true that there is little we can do, as our experience has shown, to alleviate their difficulties. Nevertheless, powerful and capable voices are heard in the United States urging us to project ourselves into the middle of this problem of China. Let us, for a moment, consider the views of those who object to the abeyant state of our policy in China. Many Americans have a deep and sincere affection for the Chinese. Among them there are those who point out that it is ignoble of us to forsake our wartime allies in their hour of need. Therefore, they insist, let us do something for China, and let us do it through the living symbol of China's resistance, Chiang Kai-shek.

Let me, first of all, make clear the extent of aid already made available to the National Government. I have alluded to the postwar military and international assistance which we have tendered to President Chiang. Mention should also be made of the American Army and Navy missions still in China to help establish a truly national military organization. Since 1941 total aid in the form of loans and grants is in the neighborhood of \$2,500,000,000. In addition, we have transferred extensive quantities of surplus property at a fraction of original cost. We have also turned over 271 naval vessels. This year the United States foreign-relief program probably will allot \$30,000,000 in medical supplies and food to China.

Furthermore the United States stands committed to provide additional assistance for noncivil war purposes as the circumstances permit. When there is some assurance that instead of adding to the wreckage of civil war and to the private fortunes of corrupt officials, our aid will assist in the restoration of the well-being of the Chinese people, its flow should increase. Those who are sincerely distressed over the plight of China, need have no fear. The United States Government will do all in its power to lessen the sufferings of the Chinese people, but will resist firmly all ill-considered efforts to have it add to their distress. The great shortcoming of many who insist, vaguely, that we "do something" for China is that they fail to realize the limitations as to what we can do. We can stand beside the Chinese as sympathetic friends. We can help them through our private charities, our Christian missions, our educational and cultural endowments, and through governmental grants or loans to meet their most pressing needs. All these measures we have taken and will continue to take. But we cannot supply the spiritual spark which will release the capacities of the Chinese people and channel them into a reconstruction of their noble civilization. That spark can—and will someday—come only from the heart of China itself.

Before concluding, I should like to discuss briefly another line of thought in opposition to the present relative abeyance of our Chinese policy. I am fully aware that there is a growing advocacy in the United States for action to halt the spread of communism in China. Briefly, it consists of several fundamental assumptions; that we cannot permit any foreign power to dominate China; that it is futile to halt communism in Greece and not to halt it in China; that unless aid, both economic and military, is extended immediately, the Central Government of China will collapse; and finally that such aid will be much cheaper than grandiose Marshall plans for Europe. One of the most disturbing factors in the views of those who insist on positive action is their assumption that the United States Government is unaware that China and Russia have a common border of several thousand miles. I wish to reassure these people.



The Government is not only aware of the existence of this boundary but has been considering it in terms of the ultimate objective of American foreign policy for more than half a century. Let us, then, at least concede a measure of validity to the decisions which grow out of this experience and the day-to-day reports of trained observers in the field.

I shall avoid a detailed discussion of the problems, both military and economic, which would be involved in positive action in China. Suffice to say, despite specious arguments to the contrary, that they would be monumental. As an instance, let me recall the widespread hostility demonstrated just a year ago by the most politically-conscious elements in China—the students—against the continued presence of American troops in China. And those troops were there with the peaceful intent of attempting to maintain the Nationalist-Communist truce. What would be the reaction if they were in China for the express purpose of assisting one section of the Chinese people against another? Those who advocate a return of American forces to Chinese soil in large numbers—and a program of positive action would ultimately involve precisely that—show an abysmal or arrogant indifference to one of the most powerful forces in Chinese life today—nationalism. They would take on for America the same heritage of hatred that the Russians are now busy constructing for themselves in Dairen and Port Arthur.

Finally, let me point out the fallacy of assuming that since we are taking positive steps to aid Greece and western Europe, we must take similar action in China. The pattern of our Chinese policy is concerned with the establishment of a "strong, united, and democratic China." Obviously such a pattern cannot prevail if China is dominated by an outside power. I think it legitimate to assume that our Government is capable of making this simple deduction and therefore may be counted upon to apply measures necessary to support China's sovereignty. But the United States, in selecting the methods for implementing its policy in China, must weigh all the factors in the world situation against the resources it has available. In the pursuit of our objective in Asia we must not permit ourselves to be hastened into any action which would result in a partial fulfillment of our objective elsewhere or even in China itself. We must bear in mind what we desire is a strong, united, and democratic China. Omission of the third adjective could have tragic consequences in terms of the ultimate, over-all objective of American foreign policy.

No one is more aware than I of the inherent threat of communism to the liberties which we hold dear. But we cannot oppose that threat with precipitous action, with impatient sentimentality, or with hysterical fear. We can oppose it successfully only insofar as we act with calm intelligence, with unremitting patience, and with a bold and dignified faith in the institutions which uphold America's greatness.

Mr. VORYS. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 7 minutes.

Mr. KLEIN. Mr. Chairman, I object.

Mr. VORYS. Mr. Chairman, I move that all debate on this amendment and all amendments thereto close in 10 minutes, the last 5 minutes to be reserved to the committee.

Mr. HOLIFIELD. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. HOLIFIELD. Does that mean that the whole of title III and all amend-

ments thereto will now be limited to only 5 minutes' debate?

The CHAIRMAN. That is not the way the Chair understood it. The Chair understood the request was on this amendment and all amendments thereto, but not necessarily amendments to the title.

The question is on the motion offered by the gentleman from Ohio [Mr. VORYS].

The question was taken; and on a division (demanded by Mr. KLEIN) there were—ayes 78, noes 35.

So the motion was agreed to.

The CHAIRMAN. The Chair recognizes the gentleman from Georgia [Mr. Cox] for 1 minute.

Mr. COX. Mr. Chairman, this is the first intimation that I have heard that this is a partisan bill. I do not believe it is so. Of all the countries made beneficiaries of this program, the assistance given China will pay highest dividends. With the exception of the faithful and laborious efforts of certain Members of the House and a few military men, China has had little official assistance in the making out of her case. Her diplomatic representatives must not be very active. Certainly top-flight people have done little or nothing to help. Mr. Chairman, China is our devoted friend. She has been faithful and is most deserving of all the help that we can render. To help her is to help ourselves. While China needs relief, her greatest need is munitions of war. I would like to see the full amount provided for her in the bill made available for arms and ammunition. This ought to be done. Certainly no one fully cognizant of conditions would want to eliminate any part of the amount made available for uses of war.

The CHAIRMAN. The Chair recognizes the gentleman from Massachusetts [Mrs. ROGERS].

Mrs. ROGERS of Massachusetts. Mr. Chairman, for many years I have been personally interested in the foreign policy of the United States. When one has a continuing interest over a long period of time, it is possible to observe certain trends, developments, movements and accomplishments. Now and then, throughout these recent years, all of you have read statements saying the United States has no foreign policy. Writers of books, editorial and feature writers, authors of articles in public-opinion magazines have criticized not only the State Department but those responsible for our Government for not having a precise objective foreign policy. We have been told we proceed on a day-to-day basis without any specific objective in view and with very little direction. Our Nation has been criticized for not developing a long-range point of view.

I do not wish to discuss the details of American foreign policy during all of these years I have had the honor of being associated with Congress, but I do want to emphasize a very certain and a very strong observation. It is this. In spite of all of the criticism that has been directed against the United States foreign policy—and in passing I might add that I have been one of those who has contributed some of the criticism—there is one outstanding objective of our coun-

try in its relation to the nations of the world. It stands out like the sun on a clear day in summer. It burns in the hearts of men and women throughout this Nation. It is the one thing that every man and woman would willingly lay down their lives to protect. The one great controlling feature of American foreign policy throughout the years has been and is today the protection, the establishment of free life, free living and freedom not only in this country, in the Western Hemisphere, but in every country in the world that has shown any desire to possess this kind of life. Freedom. Freedom. To be free. To make your own decisions—to be free to choose your own government—to be free to worship God—freedom, the cause for which this great Nation was founded, is the over-all long objective and short objective foreign policy of the United States.

During these recent months and particularly these hours of the last few days a very unusual procedure, a very unusual event, has been unfolding before the eyes of the world. This event has been taking place right here—has been taking place here on the floor of the House of this Congress. Here we stand. Here we have witnessed this great Nation of ours considering the best possible method of helping the people of other nations to hold fast to their freedom. Never before in the history of the world has any people been so generous, has any people been so unselfish, has any country been so great. I say to you, my colleagues and fellow Members, this—is America's finest hour. The example we set today—the principle we establish in human relations—will shine on throughout centuries as one of the noblest deeds in human history.

Although we are motivated by high principle and unselfish objectives we must be constantly mindful of the advantages and disadvantages, the gains to be achieved and the losses to be borne if we proceed with this program. In this case the decision is not difficult for the gains far outweigh the costs. Our acceptance today of this economic European recovery program will create in western Europe a great dam, holding back the westward sweep and flow of the Communist tide. If this dam holds and becomes more solid with time, I confidently believe that the recovery of the free nations of western Europe will begin to flourish and that the dreaded communistic flood will not only fail to advance but will begin to recede over the long road back to the country from whence it came. The forcing back of communism from the free people of western Europe will widen the frontiers of freedom and once again entrench free institutions in these war-swept lands more securely than ever before.

Now, just what does this mean to the United States of America? To once again establish western Europe and, for that matter, the whole of Europe, on an independent, cooperative, operational basis will constitute a decisive factor in the world balance of international relations. Such an achievement is essential for international security and peace, as well as the security of the United States,



for a strong free western Europe will create counterbalances to the powerful Communist army now clouding the sky of freedom. The great shadow of Soviet aggression must be reduced in size.

In my opinion, based upon years of experience, I believe the support of this legislation to assist free nations to again sit in dignity in the councils of world progress and in the deliberations of the United Nations is indeed a positive act toward the guaranty of world peace.

There is much to consider. There is much involved. There is much at stake. If the Communist tide is not held back, if it is allowed to sweep on, then we must face the fact that the United States, Great Britain, and France will be forced out of Germany with the probability that Germany would become a strong Communist nation. If the Communist tide is to be permitted to flow on, Italy, Greece, Turkey, Iran, north Africa will completely fall under its control and domination. Control of the Mediterranean would be lost. Spain, proud France, glorious Belgium and Holland, and heroic Britain will come within the shadow. This is most serious. This is an eventuality which we cannot sanction.

But there is more that we must consider. The western nations of Europe possess colonies and territories in the Caribbean, in Africa, and in the Pacific. The fall of France, Belgium, Holland and Spain, as well as Denmark and the Scandinavian nations into the orbit of the influence of communism means that these far-flung territories, strategically located, would come also within the orbit of Communist domination. As the most powerful free nation in the world, can we permit this to happen? If freedom is to be protected, is it not our responsibility and duty to bring to bear all the forces within our control in order to insure its survival? I need not tell you, my distinguished colleagues, but I do wish to emphasize in this great forum of freedom, that we must not allow this Communist tide to flow over and engulf the free nations of the world.

The whole northwestern part of Africa, reaching to within 1,800 miles of Brazil, flies the tricolor of France. During the war we knew how dangerous German control of this region would be to the Americas and took steps to prevent it. Communist control of this region would project Soviet power into the South Atlantic, flank our communications with Brazil and Argentina, with bases for planes, submarines and the long-range guided missiles of the future, and increase immeasurably Communist influence in South America.

Well to the south lies the Belgian Congo, containing some of the richest uranium deposits in the world. This uranium has been available to the United States, and has played an important part in our atomic energy program. If the Belgian Congo fell under Communist control, its uranium could be denied to us and supplied to Russia.

On the east coast of Africa, French Madagascar and Reunion could provide Communist bases on the Indian Ocean. French Somaliland looks out upon the

entrance to the Red Sea at the Gulf of Aden.

On the Pacific, French Indochina could be converted into a Soviet pressure center and springboard on the southern border of China. This territory, together with French New Caledonia and the strategically and economically important Dutch East Indies, could interpose potentially hostile territories between Australia and the Philippines. Communist control of the Dutch East Indies could cut us off from their rubber, tin, and oil. Far to the east, in the Southern Pacific, the French Society, Tuamotu and Marquesas Islands could furnish Communist bases and pressure centers opposite the weak and vulnerable west coast of South America.

Within our own hemisphere, French St. Pierre and Miquelon are situated in the Gulf of St. Lawrence. French Martinique and Guadeloupe and Dutch Aruba and Curacao are in the Caribbean. French and Dutch Guiana lie along the northern frontier of Brazil and flank our communications with the east coast of South America.

All these colonies listed would fall rapidly under Communist control and serve the purposes of the Kremlin unless the United States intervened forcefully enough to prevent such an outcome. From a military point of view, we should probably have the power to do so in most of them, since all except parts of French Africa can be reached by sea more effectively than by land.

It seems clear, however, that any adequate intervention would require the threat if not the use of force. It would amount, in practical terms, to denying France, Belgium, and Holland during peace the right to govern their own colonies because we did not like their governments. What to do would be one of the most critical decisions our country has ever faced. If we proceeded to instigate and assist revolts in the colonies against the new governments the threat or use of force would seem necessary to prevent those governments from dispatching troops to the colonies to maintain their rule. Even effective economic pressure on the colonies would require a naval blockade. If we proceeded to land American marines and troops in the colonies of most vital concern clashes in so many parts of the world could easily set off war with the Soviet bloc. In fact, it seems likely that any form of intervention adequate to succeed could lead to war.

If we make the grave mistake of rejecting this legislation today serious consequences would occur. Without our assistance I firmly believe there would be an economic collapse of the nations in western Europe unparalleled in the history of the western world. Naturally, this collapse would cause communism to flow unchecked throughout Europe. France and Italy would be immediately engulfed. The fall of these nations would soon lead not only to the communistic control of the whole of Europe but to Great Britain as well. If the government of one important nation of Europe goes communistic, certainly it would influence directly the fate of other govern-

ments. Communism thrives on economic collapse. Communism, by intrigue and other devious methods, strives to cause economic collapse. In countries where starvation and want are everywhere prevalent communism has a fertile field of operations. When communism once establishes itself in a nation and takes over the control and use of the machinery of government, possessing not only the police power by fear and terror to maintain its grasp, nothing short of war can break its hold.

If we fail today to support this legislation, the free people of freedom-loving nations in Europe are going to feel that we have turned away from them and let them down. Bitter disillusion will take the place of hope and confidence. The Kremlin would cheer and the torrent of communism would flood the whole of western Europe resulting in grave and serious consequences to the security of the United States. This we cannot allow to happen.

In considering the question before us today from the viewpoint of industrial power and the development of atomic energy, there are certain bold facts which stare us in the face if the great communistic tide flows over all of Europe. It is generally known that in all probability, within 8 to 15 years, many other countries will not only possess significant quantities of atomic bombs, but also the use of atomic power. Without a doubt, Russia today is making the most significant strides toward this accomplishment. If Russia is able to have at its command the control and use of the industrial resources and technical know-how of France, Italy, and Belgium, it might succeed in producing atomic energy of all kinds at a very early date. These nations could also fill in the chinks of Russia's deficiencies in precision industry, skilled labor, and technicians.

As the atomic scientists have tirelessly pointed out, the United States is exceedingly vulnerable to atomic attack. Our industries are heavily concentrated within a relatively small section of the country. One-third of our people live in large cities. The very fact that we have progressed so far in industrialization, makes us more exposed to crippling damage than are more industrially backward nations.

Our institutions, moreover, render us particularly vulnerable to surprise attack. Arbitrary police and security measures, which some nations could carry out overnight, would require debate in Congress. Our freedom to travel without any police control opens the way to atomic sabotage, which could be effected by smuggling in plutonium to insert in bombs secretly assembled in cities or by dropping delayed-action atomic mines from merchant ships into harbors.

Because of this high vulnerability, our best defense against a potential enemy who possessed atomic bombs would be an overwhelming superiority for offensive atomic warfare. This might prevent war by forcing the potential enemy to realize that, however devastating a blow he struck at us, he could not escape defeat as well as still greater destruction. Vital elements of this superiority would be industrial capacity, stockpiles



of bombs, ability to produce bombs, and the means of delivering them—planes today and eventually guided missiles—and dispersion of offensive bases.

It is here that the consequences of Communist control of western Europe would be particularly ominous. With her rapidly growing population, huge resources, and control of French, Italian, Belgian, and eventually German industry, Russia would have a good prospect in the long run of rivaling us, and possibly even of surpassing us, in industrial capacity. This could mean an ability to produce atomic bombs as quickly as we could, progressively diminishing the advantage of our head start. It would mean provision of adequate means for delivering bombs to our cities and industries. In seeking to assess such capabilities, it must be remembered that dictatorships have been able, during peacetime, to put a greater proportion of resources into war preparations than have democracies.

Russia, moreover, could expand tremendously her offensive capabilities through dispersion of bases with control of the French colonies. Her offensive bases would then stretch from the South Atlantic through the North Atlantic and the Arctic far into the Pacific.

We cannot easily close our eyes to the consequences of failing to support this legislation of the hour. We cannot consider this important crisis lightly. We must consider the precise questions involved from the viewpoint of how the present situation affects the future of our country. This free and happy Nation cannot continue free and happy if we allow the great shadow of communism to so grow and increase in size that it begins to form a significant cloud over America and the Western Hemisphere. There is no valid ground for believing that communistic Russia would let America alone except for the few years required to consolidate their grip on western Europe and its colonies. Instead, there is solid ground for believing their basic aim, the zealous objective of Communist leaders, is to eventually create a Communist world with all people held in the bonds and chains of slavery, controlled and managed and dominated by uncontrolled and irresponsible power in Russia.

In conclusion, I should like to point out the grave consequences which would result just as surely as night follows day if we here during this significant hour reject this European recovery legislation. They are as follows:

First. Communist control of France and Italy, subsequently Belgium and Holland, and eventually Germany;

Second. Establishment of Soviet bases in Atlantic, Pacific, and Caribbean areas of vital importance to American security, unless prevented by force;

Third. Partial encirclement of North America and partial isolation of the United States, unless prevented by force;

Fourth. Danger of imminent war if we intervene to prevent these developments;

Fifth. Paralysis of all major organs of the United Nations through increase of Soviet controlled votes;

Sixth. A vast increase in the industrial capacity, manpower, and atomic warfare potential of the Soviet bloc;

Seventh. Creation of a new balance of power with the Soviet bloc likely to grow progressively more unfavorable to the United States;

Eighth. Militarization of American life and curtailment of our freedoms;

Ninth. Pyramiding costs and taxes, certain to lower living standard and likely to stifle free enterprise;

Tenth. The growth of fear and movements away from cities after the Soviet bloc produced atomic bombs;

Eleventh. A constant threat to the security of the United States; and

Twelfth. An eventual atomic war with the Soviet bloc, unless we succeeded in keeping the Soviet leaders convinced that they could not win.

A careful examination of these consequences show very clearly how extremely important it is that we support this legislation. This bill in a very real sense constitutes an insurance of our future peace and security—our future freedom—our future economic and social welfare. It is at the same time an insurance of our cities and of our children, their lives and progress, their play and happiness. It is an insurance of the continuing existence of all that free America means to mankind.

Throughout these many years of my interest in American foreign policy, and long before that, another objective of this Nation has been to oppose oppression and slavery. We fought the Hun in the First World War to stamp out oppression and aggression. We fought the Nazi and the Jap in the Second World War to eliminate slavery in order that freedom and the free way of life might continue. And, if it is necessary, we will fight the Communist in a third world war to protect the freedom that is so necessary and so much a part of life not only in America but elsewhere in the Western Hemisphere and other parts of the world. Today, just as in days past and in many days to come, there sits the great lifeline figure of Abraham Lincoln, at the Potomac end of the Mall. He is facing the Capitol of the United States, where you and I have the privilege and the honor of being today. He looks toward us as if in times of crisis he desired to extend his advice and counsel. On one great occasion President Lincoln said, I quote:

This Nation cannot exist half slave and half free.

I say to you, my fellow countrymen, that this world cannot exist half slave and half free.

For almost a quarter of a century I have been privileged to be a Member of this House. I have had the honor to represent the congressional district where freedom was born. With nothing but a musket, ramrod, ball and powder, the courageous men of Concord and Lexington fired the shot heard around the world. From every Middlesex village and farm men came with their muskets—not machine guns, not tanks, not air power—just themselves and their muskets and stood on the Common and fought the first battle for freedom. The principle

that was established there at that time is going to live in this world forever; is going to live in this world as long as civilization survives. No power on earth, no communism, no nation that believes in oppression, aggression, and slavery can defeat freedom. The strongest men in the world today are free men and free men will hold fast to this precious way of life.

The issue facing this Congress at this hour is really not an issue at all. Whether or not we vote for European relief, or the so-called Marshall plan, is not the issue facing us at this moment. The question we are to decide today is whether or not this great freedom-loving Nation is going to take the first great positive step toward the defeat of communism and slavery. I believe with deep sincerity that no Member of this Congress can afford at this hour not to support the bill before us. We cannot afford to take the chance of leaving free men in other parts of the world to be swallowed up by the ruthless and bloodthirsty monster known as communism. This is a fight of freedom versus slavery. I choose the path of freedom and I urge you with all of the conviction and power at my command to join this distinguished crusade, vital to the lives of millions of friends, in free nations throughout the world and vital to the survival of a free America.

The CHAIRMAN. The gentleman from California [Mr. HOLIFIELD] is recognized for 1 minute.

Mr. HOLIFIELD. Mr. Chairman, military aid could be extended on a multilateral basis or a regional basis such as provided for in the Chapultepec agreement, but we find ourselves here resorting to a unilateral method such as we resorted to in the Greek and Turkish aid programs. We are doing the same thing now that Russia has done in Czechoslovakia and that Yugoslavia is doing in northern Greece—we are intervening with military personnel and military matériel. We are doing the thing that we condemn on their part.

We are not going about this thing as we should go about it through the United Nations. There is a way of doing this thing right, but instead of that we are going at it in the old national sovereignty unilateral, balance of power method which has led to countless wars in the past and will lead to countless wars in the future; we are practicing the Soviet-Marxist ethics that "the end justifies the means."

I am supporting the amendment to strike out title III of the European recovery-plan bill. A year ago we had under consideration the Greek-Turkish loan, which included the principle of military aid. By military aid, we mean the furnishing of weapons of war and advisory military personnel. At that time I opposed the military features of the Greek-Turkish loan. My reasons for my opposition was then as it is today, as follows:

First. Unilateral action in providing military aid to any nation is in violation of the United Nation's Charter, in that it ignores and bypasses the multi-



lateral consideration by the signatory nations of disputes between nations.

Second. Unilateral action on our part in extending military aid, weakens the United Nations. It is only through actual performance of duties that it will be possible for the United Nations to strengthen itself to the point of insuring world peace.

Third. In deserting the United Nations, we are turning back again to the discredited methods of trying to produce world peace by the strength of the limited arms and money of a single nation. We do not have the strength in manpower, wealth, or gunpowder to fight or feed the world by ourselves. Whether the world has peace or war, we must act in concert with the majority of nations, or we must lose.

Fourth. We lose our moral and spiritual position in the world when we engage in the practice of unilateral military aid to nations or national groups. This is exactly the practice which we condemn when Russia gives aid to the Communist parties in the satellite nations and when we condemn Yugoslavia for aiding the Communist guerrillas in Greece.

We are faced in this bill with a legislative dilemma. We must accept provisions, unless deleted by amendment, recommitment, or eliminated by conference agreement, which violate deep convictions. The House Foreign Affairs Committee would have presented a fairer bill to the Members if they had separated the economic rehabilitation proposal and the military aid into two separate legislative proposals. Many of us in that instance could have voted our convictions. But we are not given the choice in this bill between aid for peace and aid for war. Of the total aid fund of \$6,300,000,000, approximately \$425,000,000 has been earmarked for military aid. In other words, fourteen-fifteenths of the appropriation is for peaceful purposes, economic rehabilitation, and humanitarian relief to suffering millions. One-fifteenth is for military aid. From a financial point of view, therefore, the military aid is small in relation to the total fund. We cannot afford to deny the rehabilitation by means of food, medicine, and machinery, which constitutes 93 percent of the fund, because we do not approve of the 7 percent set aside for military matériel.

When we turn to the principles involved, we cannot relegate the importance of the military aid to such a small percentage. We fear the effect of the violation of the principles of the United Nations which calls for multilateral solution of economic and security problems. The most important issue in the world is the strengthening of the United Nations. We cannot appraise the effect of continued unilateral military procedure on the fate of the United Nations. Certainly we cannot shut our eyes to the fact that Russia and the United States have both practiced this procedure. The factor of unilateral action must be considered in relation to other factors which are weakening the United Nations. I refer to the use and misuse of the absolute veto—22 times by Russia, twice by

France; the lack of an international police force and the failure to establish the proper parliamentary and judicial powers originally envisioned by the framers of the Charter.

The only hope of the people of our Nation and the world for obtaining universal peace is through a functioning United Nations. Every step we take away from multilateral cooperation is a step away from collective security. Every step that weakens the United Nations is a step toward war. Let us strengthen the United Nations and solve our problems through its organizational procedures, in the open light of debate and by the majority decisions of the signatory nations of the world.

The CHAIRMAN. The time of the gentleman from California has expired.

The gentleman from New Jersey [Mr. HAND] is recognized for 1 minute.

Mr. HAND. Mr. Chairman, I suppose it must be recognized that this is no longer the Marshall plan, but the Marshall plan with a lot of other things added; and it must further be said that this debate has degenerated into a comedy.

We have just commenced to consider title 3 of this bill. This title not only involves \$275,000,000 more for Greece, but likewise involves the broad and dangerous implications of the Truman doctrine. It is not believable that our discussion of this vitally important question is limited to 10 minutes debate. That is not debate at all; that is a high-handed suppression of the opposition.

The bill about to be passed by the House is not the Marshall plan. This statement may seem startling but it is clearly true.

Attached to the bill by the Foreign Affairs Committee, and incorporated with the bill during the debate in the House, are features not envisioned by General Marshall in his Harvard speech last June.

For example, it is well known that Marshall has been wholly out of sympathy with military aid to China. You will remember his mission to China in which he attempted to get the National Government and the Communists together. His mission utterly failed, and he returned to the United States with some bitter statements concerning the corruption and inefficiency of the Chiang kai-Shek regime, and thereafter fought until quite recently against any attempt at Chinese aid. I do not believe the Secretary yet favors aid to China. He thinks that the field of our efforts should be confined to Europe; and there are many others who believe that while aid to China might be desirable, that \$500,000,000 in an attempt to bolster up a nation of 450,000,000 people is the proverbial drop in a bucket, and can be no more than a first installment in a program which will make continuing and vast demands.

Secondly, the bill contains an additional appropriation of \$275,000,000 for military aid to Greece—military aid, not economic assistance. This, of course, was never contemplated in the Marshall plan, and was not in the bill that passed the Senate.

Military aid to Greece is an implementation of the Truman doctrine—that broad conception which assumes it to be the duty of the United States to aid any government in the world whose regime is thought to be presently friendly to us, and which is being harassed by internal or external threats.

Under this doctrine, as I pointed out in the House some time ago, it must be the program of the United States to lend both economic and military assistance to every trouble spot in the world, and that, unfortunately includes most of the world at present. It is Greece and Turkey now—and China which is a half-world in itself—and it will be the Middle East, Iran, Iraq, India, and many others.

I am unalterably opposed to the Truman doctrine, which in its essence requires the United States—and who knows at what cost in blood and treasure—to become a sort of modern Roman empire insisting that our way of life and our form of government be conformed to throughout the world.

In just the one small spot to which this doctrine has been applied so far—Greece—\$300,000,000 was appropriated last year on the assumption that that would do the job. Seven hundred million was spent before that. Greece is worse off than ever; the guerrilla bands harassing it have increased rather than decreased, and despite our lavish expenditure and assistance, 20,000 irregular troops are running circles around the Greek Army of 150,000 men armed with our equipment. The billion did not do the job, so this bill provides two hundred and seventy-five million more, and it will be an annual and useless expense as long as we can foresee. This Greek plan is truly "operation rat hole." It is not a part of the Marshall plan and was included in the bill only to be sure of its passage.

If all of this was not bad enough, the House on Tuesday included Spain, a Fascist country, whose dictator attained control through brutality and bloodshed, and whose regime is so completely hateful that it has not been invited to participate in the program by other European nations. When this was done, I offered an amendment to confine the plan to the 16 participating countries of Europe. The amendment was defeated, which means that not only will Spain remain in, but there is nothing in the bill to prevent the future participation of Russia or of any of her satellite nations.

The inclusion of Spain was the last straw. Have we so soon forgotten the war in which we fought the very fascism in Germany, Italy, and Japan that now exists in Spain? I hate fascism as I hate communism. Both are equally totalitarian and equally undemocratic, and yet the bill leaves the door wide open for assistance both to Fascists and Communists.

This is not the Marshall plan. This is a foreign policy so confused and so vacillating that I cannot subscribe to it.

The CHAIRMAN. The gentleman from Pennsylvania [Mr. FULTON] is recognized for 1 minute.



Mr. FULTON. Mr. Chairman, the amendment offered by the gentleman from Montana would strike title 3. It would strike out not only aid to China but also aid to Greece and Turkey and we certainly should extend our assistance to all three countries.

The gentleman from Montana said that General Marshall as Secretary of State had made good policies in China during the war and they were just as good now, yet the gentleman by his own amendment would strike out the amount that the General himself recommended for China, Greece, and Turkey.

But may I say that as far as cooperation with Congress is concerned, the Secretary of State has refused to give Congress either in executive or open session the Wedemeyer report. This action has forced this side of the Congress to come in here and act on the China policy without the full facts. The Secretary of State still refuses to let the American people know what is in the report of the man who was specifically sent by the President to find out the real facts on China.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

The gentleman from New York [Mr. KLEIN] is recognized for 1 minute.

NO TIME FOR OPPOSITION

Mr. KLEIN. Mr. Chairman, I simply want to concur in the statement made by the gentleman from New Jersey [Mr. HAND] that there is not very much that can be said in 1 minute. It is shocking that this matter of aid to China should be taken up without it having been given adequate time in the Committee on Foreign Affairs, nor here on the floor.

There are many Members who feel as I do about this. We would like to vote for the Marshall plan as it was originally proposed, or even as the bill came over from the Senate; but you have added so many amendments and even one which includes Franco Spain, and the aid to Greece, Turkey, and China, known as title 3.

Why do you not separate them? Why do you not bring them to us in separate bills so we can consider each on its own merits and vote?

EITHER THIS BILL OR CHAOS

Mr. Chairman, I repeat that there are many of us here who would have voted with confidence, at least, if not with enthusiasm, for even the Senate bill, in spite of the fact that we have maintained from the beginning that this kind of economic rehabilitation should operate through the United Nations.

But the committee views were cut and dried. Minds were made up in advance. This unparliamentary jumble which included military aid for Turkey, Greece, and China along with rehabilitation plans for devastated Europe was sent to the floor in one big catch-all package, which we have to take or turn down en masse. We can exercise no discretion; we cannot make a choice. We cannot, by separate votes on the separate provisions, even voice an effective protest.

This is not the democratic way.

But if we were shocked by the inclusion of title III in this bill, then we were out-

raged by the adoption of the amendment which extends the benefits of this act to Franco Spain—to a Falangist Spain where the Fascist war of aggression against the democracies was first launched; to a Spain where jail awaits the dissident, where no creed but one may be propagated with safety, where Americans are treated as if they were an inferior race; to a totalitarian Spain which was allied to our enemies by every bond except armed forces.

VOTES FOR PASSAGE WITH RELUCTANCE

Mr. Chairman, I am going to vote for final passage of this bill, but only with the utmost reluctance, because the alternative to adoption of the bill as it is means hunger, misery, and continued chaos.

I know that you have the votes to pass the bill without my vote.

But I can still hear in my ears the shrieks of the Nazi victims. The Nazi beast was nourished on fear and hunger and unemployment. I cannot close my ears to the cries of 6,000,000 murdered Jews, nor to the importunities of those who survived the scourge of Hitler.

Perhaps nothing contained in this bill will directly redound to the relief of the survivors of the Hitler blood bath. Perhaps not one crumb will go to the aid of the wandering homeless victims of oppression.

Yet I cannot for that reason say that I vote against bread and gainful employment and the tools of production for the other survivors of the carnage of war.

We do not want, in Europe or anywhere else, another rise of fascism. We do not want more murders, more beatings, more destruction because the great masses of the population are hungry, cold and afraid. This bill is an imperfect instrument for the rehabilitation of the civilized world; but it is the only instrument we have at hand.

Therefore, Mr. Speaker, I find it is not in my power to throw away this weak tool. At the same time, I serve notice that unless the conferees eliminate Franco Spain from the bill I will certainly vote against the conference report.

The CHAIRMAN. The time of the gentleman from New York has expired.

The gentleman from Ohio is recognized for 5 minutes to close for the committee.

Mr. VORYS. Mr. Chairman, just remember on this Greek-Turkish title, Secretary Marshall set the April 1 dead line. The President of the United States has said that this was needed by April 1. We spent 5 hours and 10 minutes in the Committee on Foreign Affairs in hearings upon Greek-Turkish aid and I am amazed to find this partisan line being drawn by Democrats here on the floor in our bipartisan attempt to carry out the foreign policy of this country.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. VORYS. I yield to the gentleman from Indiana.

Mr. HALLECK. Mr. Chairman, with respect to the debate on this measure, I should like to point out that beginning last week we had three full days of general debate. All phases of the matters here under discussion were taken

up at that time, and full opportunity was given for all Members to express their views. Today is the third day we have been in the process of reading the bill for amendment, and both yesterday and today we came in at 10 o'clock in the morning. Certainly there has been full and ample consideration given to every aspect of the bill. As a matter of fact, many proponents of this legislation have complained that we have not proceeded with sufficient speed.

Now, as to this title, as the gentleman from Ohio has pointed out, we are working against deadlines in certain of these matters. When it was decided to have the one-package bill, as the bill reported on this side of the Congress has come to be called, there was some complaint about such procedure, not because it was not desirable to dispose of these things all at once, if we could, but it was said such procedure would result in delay in final disposition of the matter because of what might happen in the other body. Since the determination as to method of procedure was adopted by the House the other body has adjusted its program and procedure to conform to the program thus laid out by the House.

What is the situation today? In the other body provision for aid to China has been passed, and likewise provision for aid to Greece and Turkey has been passed. As soon as action is taken here, the whole matter of foreign aid will be ready for conference.

What a shame it would be at this late hour when we have made this progress, when the whole thing has been extensively debated and is well understood by everyone, that we should turn around and march back down the hill, deserting and abandoning the course set out by us as the one best calculated to meet our responsibility. Why, I ask, render valueless the fine effort that has been made by the other body to cooperate with this body in the efficient accomplishment of the things that have to be done?

Before us are proposals that have come from the executive branch of the Government, being acted upon by a Congress controlled by a majority of the opposite party. In this measure, as in all other similar matters, we have sought to do that which we believe to be in the best interests of the country, without regard to narrow partisan politics. I think we have so demonstrated that our country comes first in the manner in which we have considered this measure. There is, to be sure, not unanimity of opinion about this bill either on the Democratic side of the aisle or the Republican side of the aisle. It would be too much to expect that there be any such unanimity of opinion, particularly on a matter of so far-reaching importance, now and in the future; but, by and large, everyone has had the opportunity to express his views and offer his ideas, and we have proceeded expeditiously. I for one wish the impression to go out to the country that we are so considering this matter and that we are meeting our responsibility the best way we know how, each Member of the Congress according to his own judgment and best conscience, for such has been the manner in which we have thoroughly debated this bill. When this



measure is passed this evening it will go to conference where differences will be ironed out and in the end the bill will represent the very best judgment of the Congress of the United States as a whole. This is representative government of a free people in action. It is, in itself, an example to the world.

The CHAIRMAN. All time has expired. The question is on the amendment offered by the gentleman from Montana [Mr. MANSFIELD].

The question was taken; and on a division (demanded by Mr. MANSFIELD) there were—ayes 18, noes 152.

So the amendment was rejected.

Mr. HOLIFIELD. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HOLIFIELD: On page 101, lines 3, 4, and 5, strike out lines 3, 4, and 5.

Mr. KERSTEN of Wisconsin. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

#### THE NEED FOR A NEW AMERICAN FOREIGN POLICY

Mr. KERSTEN of Wisconsin. Mr. Chairman, last November 10 I attended the meeting of the four-power allied control authority in the appellate courthouse amid the ruins of Berlin. The session was held in the large courtroom wherein the last Nazi trials were those in which the German generals who plotted against Hitler were condemned.

At this particular meeting the Soviet commander, Marshall Sokolovsky was in the chair. Hundreds of soldiers were standing around the building and in the spacious grounds outside, at attention and with bayonets fixed—they were all the young red-coated Mongolian soldiers of the Soviet honor guard. The hammer and sickle flew over the courthouse indicating the Russians were in charge. Sokolovsky conducted the meeting in the manner of one issuing orders to the commanders of the other zones. Of course the American, French, and British commanders parried the charges against them made by Sokolovsky. But one could see in the Russian attitude the feeling that they were about to become the masters of Europe, and thereafter of the world. It is the settled and long-time Russian plan that these same red-coated, bayoneted sons of the Soviet will be stationed all over the continent.

Are there those who doubt the world ambitions of Russia?

Consider Stalin's report to the Tenth Russian Congress of Soviets:

The Soviet power is so constructed that, being international by its intrinsic nature, it systematically fosters the idea of unity among the masses and impels them toward amalgamation. \* \* \*

I say, there, in the west, where capitalist democracy prevails and where the states rest on private property, the very basis of the state fosters national enmity, conflicts, and struggle; here, in the realm of the Soviets, where the power is built not on capital, but on labor, where the power is built not on private property, but on collective property, where the power is built not on the exploi-

tation of man, but on hostility to such exploitation; here on the contrary, the very nature of the government power fosters a natural striving on the part of the toiling masses toward unity into a single Socialist family. \* \* \*

Let us hope that by forming our confederate republic we shall be creating a reliable bulwark against international capitalism and that the new confederate state will be another decisive step toward the amalgamation of the toilers of the whole world into a single world socialist soviet republic.

On February 12, 1938, Stalin wrote to Ivanov in part as follows:

In the event of any success the invaders will try to destroy the Soviet system and restore the bourgeois system in the occupied regions.

We would be in a position to say that the victory (of socialism in the Soviet Union) is complete, if our country were situated on an island and if it had not many other (capitalist) countries around it. But since we live not on an island but in a system of states, a considerable number of which are hostile to the land of socialism, thus creating the danger of intervention and restoration, we say openly and honestly that the victory of socialism in our country is not yet complete.

This problem remains to be solved. \* \* \* It can be solved only by uniting the serious efforts of the international proletariat with the still more serious efforts of the entire Soviet people.

In the letter to Ivanov, Stalin quotes Lenin with approval as follows:

We live not only in a state, but in a system of states, and the existence of the Soviet Republic next to a number of imperialist states for a long time is unthinkable. In the end either the one or the other will have the better of it. Until that end comes, a series of most terrible conflicts between the Soviet Republic and the bourgeois states is inevitable. This means that the ruling class, the proletariat, if it wants to and will rule, must prove this also by its military organization.

Stalin's ambition to take over Europe has not remained theoretical. During the final months of the war the Soviets, we now know, had definite plans for postwar expansion into what were meant to be independent countries. In the Soviet participation in the war, their object was not merely to defeat the enemy but to put themselves in a position to implement their postwar policy of expansion. We Americans had no worked-out postwar policy. Russia did.

For example, while the Charter of the United Nations and the Atlantic Charter piously speak of right of self-determination of all peoples, Stalin's philosophy has never been in accord with that. The following is an excerpt of Stalin's report to the twelfth congress of the Communist Party:

It should be borne in mind that besides the right of nations to self-determination there is also the right of the working class to consolidate its power, and to this latter right the right of self-determination is subordinate. There are occasions when the right of self-determination conflicts with the other, the higher right—the right of a working class that has assumed power to consolidate its power. In such cases—this must be said bluntly—the right to self-determination cannot and must not serve as an obstacle to the exercise by the working class of its right to dictatorship. The former must give way to the latter.

Further, Stalin wrote Ivanov as to his views on self-determination:

There are two kinds of autonomy, national or cultural autonomy, and regional autonomy. National autonomy is contrary to the whole development of nations. \* \* \* National cultural autonomy is unsuitable. Firstly, it is artificial and impracticable, for it proposes artificially to draw into a single nation people whom the very march of events, of real events, is disuniting and dispersing to every corner of the country.

Secondly, it stimulates nationalism, because it tends to the view which advocates the demarcation of people according to national curiae, the organization of nations, the preservation and cultivation of national peculiarities—a thing that is entirely incompatible with social-democracy. \* \* \* Thus, national autonomy does not solve the problem.

What is the way out?

The only real solution is regional autonomy, autonomy for such crystallized units as Poland, Lithuania, the Ukraine, the Caucasus, etc.

The advantage of regional autonomy consists firstly in the fact that it does not deal with a fiction deprived of territory, but with a definite population inhabiting a definite territory.

Secondly, it does not divide the people according to nation, it does not strengthen national partitions; on the contrary, it only serves to break down these partitions and unites the population in such a manner as to open the way for division of a different kind, division according to class.

The aim must be to unite the workers of all nationalities in Russia into united and integral collective bodies in the various localities and to unite these collective bodies into a single party.

Thus the principle of international solidarity of the workers is an essential element in the solution of the national problem.

So, with her worked-out plan of postwar expansion, Russia has actually acted upon that plan. She has effectively penetrated and paralyzed the formerly free nations of eastern Europe and is well on her way to the establishment of a Soviet Europe.

Typical of the loss of freedom in the Soviet satellite states is the case of Czechoslovakia. Last July when Bidault and Bevin invited the European nations to Paris to discuss European reconstruction, Czechoslovakia openly expressed its desire to participate. But Gottwald and Masaryk were called to Moscow and advised by Molotov that the Czechs would not be permitted to go to Paris. So Gottwald got on the long-distance phone and informed the ministers of Czechoslovakia of the will of the Politburo.

In three short years a whole group of individual nations have thus succumbed to Russia.

It is true that they maintain the fiction of independent governments in the satellite states but it is merely a fiction. These satellite governments still maintain embassies in Washington.

Several weeks ago the gentleman from California [Mr. Nixon], Mr. Douglas Cornell, an Associated Press reporter, and myself visited most of these satellite embassies in Washington and spent an hour with each of the Ambassadors. We took a stenographic report of the questions and answers. Typical of the attitude of the Moscow-trained ambassadors was the Yugoslav, Sava Kosanovich. He



said that to him Russia represented progress and reform and that United States represented reaction. The Polish Ambassador, Josef Winiewicz, had much to criticize the United States for and had only praise for Russia. Poor Poland crucified between the two thieves of her national independence—the Nazis and the Communists. Poor Poland that lost a quarter of a million of her Warsaw citizens while the Soviet Army rested just outside the city so that the extermination could be completed. And again, the massacre of 10,000 imprisoned officers of her army. And again the carving up of her nation by Russian fiat. And Ambassador Winiewicz has an attitude of nothing other than sweetness and light toward Russia and severe criticism for the United States.

One significant thing about all of these satellite countries is that in every one of them the Communist party has complete control of the police department. That is the way to keep the populace under control.

What is Europe facing in the Communist threat? It is not necessary to refer to the fifteen to twenty million people in slave labor camps. It is not necessary to recall the liquidation of all political opposition. It is not necessary to remind ourselves of the fate of Mikhailovich Petkov, Nagy, Masaryk, and others. It is not necessary to refer to actions of men like the Czech Ambassador Slavik who recently resigned. It is not necessary to remember that in that workers' paradise the people are required to work under the guard of machine guns. It is not necessary to refer to all of these activities of the Soviet type of democracy.

It is necessary to point to the fundamental philosophy that motivates the Soviets in their ambition to be masters of Europe.

For example, Marx states that "communism begins where atheism begins." Marx further argued that man has been alienated from himself in two ways: by religion and private property. "Religion," stated Marx, "alienates man from himself by subordinating him to God. Private property alienates man from himself by subordinating him to an employer."

Lenin wrote in 1905:

Our progress rests in its entirety on a scientific philosophy . . . our propaganda therefore necessarily embraces atheism.

When Molotov made his pact with Nazi Ribbentrop he stated:

Fascism is only a matter of taste and our friendship has been sealed in blood.

In Novo Sibirsk in Soviet Siberia, there was published the 10 communist commandments for Polish youths, as follows:

1. Never forget that the clergy is a declared enemy of the state and of communism.
2. Try to convert your friends to communism. Do not forget that Stalin, who gave to the Russian people its new constitution is the leader of the anti-Gods, not only in the Soviet Union but throughout the World.
3. Try to persuade, but do not force, your friends to stop going to church.
4. Watch out for spies; denounce sabotage.
5. Spread atheistic literature among the people.

6. Every good Komosol is also a militant atheist. He must know how to shoot and be expert in military discipline.

7. Work eagerly to prevent any religious element you may notice from influencing your neighbors.

8. Every atheist must be a good Communist. Watching the security of the state is the duty of every anti-God.

9. Support the atheist movement by financial gifts that will especially aid the propaganda of foreign organizations, obliged through circumstances to work in secret.

10. If you are not a convinced atheist you will not be a good Communist and a faithful citizen to the Soviet state. Atheism is permanently linked with communism and the two ideals are the basis of Soviet power in Communist Russia.

The Communists use the word "democracy." Stalin in reporting to the Fifteenth Communist Party Congress defines democracy as follows:

Democracy is of two kinds. It is clear, therefore, that democracy in the draft of the new constitution is not the ordinary and universally recognized democracy in general, but socialist democracy.

All this talk about democracy! What is democracy within the party? Democracy for whom? If democracy is understood to mean the right of a few intellectuals, severed from the actual revolution, to twaddle without limit and to have their own press organs, we need no such democracy, for that is the democracy of a tiny minority opposing the will of the tremendous majority.

These are the fundamental concepts with which Russia would cover the world. It is not a mere political philosophy. It is a total faith. It is a religion. It is the religion of scientific dialectical materialism. It is the religion of atheism. It is a philosophy that would exterminate the spiritual equalities of mankind.

On March 24 there came over the Moscow radio excerpts from what was called the greatest speech made by Zhdanov, in which he says:

The U. S. S. R. is at present that real guardian of universal human culture in the same way as, in all other respects, it is the bastion of human civilization and culture against bourgeois disintegration and the decay of culture.

Thus, Europe and the world are faced with the spread of the religion of materialism implemented by the Soviet military machine and implanted and secured by the clever machinations of an international Soviet secret police—the NKVD.

In the face of this force free nations are falling.

And yet, Mr. Chairman, there is a strange paradox about this new threat to civilization. Its origin is not really Russian. Communism is a compound. It is a compound of the materialistic philosophies of the historical liberalism of nineteenth-century Europe—the western world. Marx was born in the city of Treves, Germany. He studied in universities of western Europe. He was a disciple of the philosopher, Hegel, who gave him the dialectical technique. Marx got his materialism from Ludwig Feuerbach. His philosophy was further rounded out in its sociological aspects by Proudhon. So Marx developed his ideological materialism from three European philosophers, Hegel, Feuerbach, and Proudhon, and therefrom developed his

theory of economic determinism and historical materialism.

Thus, the philosophers of Europe who forgot that European culture was grounded in Christianity, gave birth to a political philosophy that finally found its way into Russia. And now that same philosophy is finding its way back into Europe.

How do we propose to meet this force?

The ERP program? Yes, we must do all we can to assist the recovery of Europe so that it will not be the chaos that Communists delight in to accelerate their ideas.

Must we do more than afford economic help? Yes; we must regain military strength so that we can defend ourselves against this new aggression if the need arises. Is the ERP and a return of our military strength sufficient to stop communism? No; not even these two together are in themselves sufficient to stop the spread of communism throughout the world. The philosophy of communism can still seep through economic and military lines. It can seep through into the minds of scientists, of educators, or statesmen.

Communism must be met by an ideology that is stronger than communism.

Obviously, if the battle cries of Marx, Engels, Lenin, Stalin, and Molotov ring with the challenge of destruction of the spirit of man and would engulf the world with materialism, it is the spirit of man that must be defended.

Our forefathers did not disdain to state that our fundamental rights were given to us by our Creator. They so stated in our most basic document, our Declaration of Independence. Unless we defend the concept of the existence of God, the whole structure may fall. We will then be like the Soviet Government, where all human rights are gifts from the state.

How tragic, therefore, is the recent decision of our Supreme Court in the McCollum case wherein our highest court states that all the millions of our public-school children may have no connection in their school system with the study of religion—which is the study of the relationship between man and God. And, across the Atlantic in an English court, an English jurist denied a legacy to a religious order on the grounds that it was not a charitable institution because it did nothing to benefit mankind, because its members did nothing but pray.

The present tension between the United States and Russia is not a contest between communism and monopolistic capitalism. It is not a contest between communism and free enterprise. It is a contest of conflicting definitions as to the nature of man.

I make a distinction between monopolistic capitalism and capitalism. I am against monopolistic capitalism. I am for capitalism and I am against socialism and communism. But if capitalism would be preserved, it must be widely spread. Monopolistic capitalism breeds socialism and communism.

One of the most effective means of combating the spread of communism in Europe among the working class, will be to have sound American trade unionists,



industrial engineers, and businessmen aiding in European recovery. If the European worker is to be kept from going Communist, his European employer should assist him to become a capitalist by giving him a living wage, enabling him properly to care for himself and his family. The dynamism of communism are the injustices of the capitalist system. The west cannot be sustained on a foundation of secular monopolistic capitalism. The roots of western culture will live in a soil with a spiritual strata as well as material. And in that soil only is the dignity of the human personality made to grow. If real justice is encouraged for European workers, the idea of a class struggle—which is essential to communism—will become irrelevant. Labor will become interested in capital when labor has capital to defend. Property is the economic guaranty of human liberty.

The Western World has been living on the fruits of Christianity for many years now. The roots have been severely severed. The Western World must cultivate the soil of the spirit.

We cannot effectively oppose the new driving materialistic faith that comes from Russia with a mere change in newspaper policy. There must be a rebirth of the things of the spirit. Nor can the issue be solved by any mere political tinkering.

So, Mr. Chairman, the United States is facing one of the fiercest forces in human history. It is the objective of the Communist Party of Russia ultimately to overcome the Government of the United States. In view of modern weapons, that objective could be accomplished if we permitted Russia to continue its advance and to put itself in a position where it can deliver a lethal blow to civilization.

It is the solemn duty of every Member of this House to vote in favor of this bill. It is our further duty to make ourselves sufficiently strong so that we can defend ourselves if the necessity arises. And, finally, we must regain spiritual strength because we are opposing a materialistic philosophy which is now not merely an abstract idea, but a materialistic philosophy that has embodiment in the Red army; embodiment in machine guns; embodiment in the hammer and sickle.

Mr. VORYS. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. HOLIFIELD. Mr. Chairman, I do not intend to take the 5 minutes allotted to me on this amendment. I realize the temper of this House and I realize the parliamentary situation. I intend to vote for the Marshall plan. I intend to vote for it notwithstanding the fact that there are sections in it which I deplore and which I wish I could have the opportunity of voting on separately. I refer to the inclusion of Spain, the Fascist nation, in the 16 nations; the nation that proved to be the proving ground for the Wehrmacht and the Italian dive bombers, that started the history of aggression in Europe; a country that we do not

even yet recognize diplomatically. I refer also to the extending of military aid to Greece, Turkey and China as contained in this bill.

Now, I am not against the principle of extending military aid to constitutional governments to maintain their constitutional integrity, but, Mr. Chairman, I want to do it the square way, the fair way, the open way. I want to do it on the basis of regional alliances which are recognized under the United Nations' Charter. I want to do it through interregional alliances and agreements between those regional alliances. I do not want to do it in the unilateral way in which we are doing it. I do not want to wage an undeclared war through the back door of an economic rehabilitation act. I want to do it honestly, and I think there are other Members in this House who are not extreme isolationists and who do not follow the Russian policy and who are not pro-Russian, who feel the same way. I think there are Members in this House who are true Americans, who want to go at this thing in the open way and do it in the way it should be done. It is for that reason that I rise and take the time at this time to say that I intend to vote for the Marshall plan, notwithstanding these parts of the Marshall plan which I do not approve, because I believe that it will give us just 1 year—I do not hope for any more—to bring these 16 nations into a functioning United Nations organization. A year ago I introduced a resolution which asks the President to call a conference of the United Nations. The gentleman from Minnesota [Mr. Judd] has more recently introduced a similar resolution. Many other resolutions from Members of the House are before the Committee on Foreign Affairs asking that the United Nations be strengthened; that we try to solve the problem of universal peace through the multilateral solution which was envisaged in the Charter some 2 years ago and which we have deserted.

I say again, in all seriousness, that there are not enough men, there is not enough money, there is not enough food in the United States to fight or to buy or to feed the world, and when we spread our resources thin throughout all the danger spots that exist at the present time and will exist in the future, I say to you in all seriousness we are not big enough and rich enough to do the job.

No one nation can rule the world, whether it be Russia or the United States. Our only safety lies in collective security, in working through the United Nations Organization, and in solving problems between nations through majority decisions of the United Nations members, and then enforcing those majority decisions. Let us turn back to the principles of the United Nations before it is too late. It is true that we are moving toward war in every step we take in a unilateral manner, especially when we are extending military aid, the same as Russia is extending it to her satellite nations. Let us turn back to the principles of the United Nations before it is too late, before we have to send millions of our boys overseas to try to police and fight the world. We do not have enough boys to do it.

Their lives are too precious. Let me plead with you before it is too late that the members of the Committee on Foreign Affairs take up these resolutions that lie before you and give them some consideration. Let us try to strengthen the United Nations and go at this thing in the only way that will eventually work. I say this with my knowledge of atomic energy as a member of the Atomic Energy Committee. I know what I am talking about. We cannot win unless we do it the United Nations way. We cannot conquer the world, even though we have the atomic bomb. We can only destroy the cities of the world and kill millions of people. The chaos of atomic warfare will not bring peace to the world. The Galilean said 2,000 years ago, "He that taketh the sword shall perish by the sword." The sword of the next war will be the atomic bomb. If we use it, we will bring upon ourselves the hatred of millions throughout the world. Their hatred will be as great as the destruction caused by our use of atomic bombs. Again I say let us turn to the United Nations. It is the only way to avoid a third world war.

Mrs. DOUGLAS. Mr. Chairman, I shall vote to support the amendment offered by the gentleman from Montana [Mr. MANSFIELD] to strike out title III, which would provide military aid to Greece, Turkey, and China.

We cannot beat an idea with a gun. I was opposed to the Greek-Turkish program when it was first presented because I believed it would fail in obtaining its objective.

I oppose the program today and for the same reason. We have sent guns to Greece but that has not stopped communism or civil war. There are twice as many guerrillas in Greece today as there were a year ago. The President, the Secretary of State, and the Secretary of Defense so stated.

We have spent our good dollars to train, equip, and advise Greek troops to fight Greek Communists. The Greek Army has now been expanded to 132,000 men—but this army is a bust. Testimony before our committee showed that these Greek troops armed by American hard-earned dollars have not had much enthusiasm to fight guerrillas.

A United Press dispatch from Athens a few days ago reported:

The American-aid mission said in a blunt and critical report tonight that the Greek Army had failed to take the offensive against the Communist-led guerrillas despite its great superiority in size and weapons. As a result the detailed report said rebel forces were enabled not only to increase their marauding activities but also to increase their strength through forcible recruitment.

As Harold Ickes pointed out in his column:

One hundred and seventy-two million dollars spent by American taxpayers to help the Greek Government to kill or crush 20,000 Greek guerrillas works out to \$8,600 per guerrilla.

He goes on to say that—

Even so, this might be regarded as a good investment to prevent the spread of communism—if the guerrillas had been overcome. Now the Government is talking about an additional \$275,000,000 which would make



a total of \$450,000,000 to dispose of 20,000 guerrillas. This would mean \$22,500 per guerrilla, which seems to be a pretty high price, especially since we would be expected to keep pouring in more money.

There is no evidence to convince me that our dollars this next year will accomplish what they failed to accomplish last year.

I think it is fair to assume that communism in the next year will increase in Greece. I think it is fair to assume that Congress will again be asked to appropriate money to support the Greek army which does not want to fight.

Why? Because people cannot eat bullets; because guns cannot sell a corrupt government to a disillusioned people—worn and poverty ridden. The only way to stop communism in Greece is to promote and support democracy in Greece.

Mr. Chairman, the Members may remember I pointed out this all important fact last year.

Oh, yes; we appropriated money last year for economic rehabilitation. It was earmarked for food, clothes, machines, houses, fertilizer and the many other desperately needed items for the people of Greece. But a great part of this money was not spent for these purposes. No; it was instead transferred to the military budget.

Bullets, not bread, was our answer to the people in Greece.

We sought to solve the Greek dilemma solely with guns—well, we have had our answer. Communism has doubled.

What madness.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. HOLIFIELD].

The amendment was rejected.

Mr. VORYS. Mr. Chairman, I ask unanimous consent that all debate on title III and all amendments thereto do now close.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. RICHARDS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. RICHARDS: On page 104, line 6, strike out title IV.

Mr. VORYS. Mr. Chairman, I ask unanimous consent that all debate on title IV and all amendments thereto close in 10 minutes, the last 5 minutes to be reserved to the committee.

Mr. CELLER, Mr. CARROLL, and Mr. POWELL objected.

Mr. RICHARDS. Mr. Chairman, in offering this amendment to strike the provision for aid to China from this bill, I do not wish to give the impression that I am unsympathetic to China's plight nor that I am against all aid to China. I am offering the amendment because I do not believe that title IV has any place in this bill.

The charge that the United States has betrayed China is a gross libel. The total American funds spent in aid of

China since VJ-day amount to \$2,000,-278,000. The items included \$844,721,000 for military aid, \$970,107,000 for relief, rehabilitation, and trade development, \$30,450,000 for educational and philanthropic aid, and \$155,000,000 for fiscal aid. There may be added to these figures millions of dollar values for which little or nothing was paid on account of bargain price sales of munitions and other goods. In addition, China now has the pick of our surplus military supplies and equipment in the Pacific area.

There are now in China 400 American Army officers and 400 technicians who are helping the Chinese military establishment in the fight against the Communists. In title III of this bill, this House has already provided \$150,000,000 additional military aid for China.

However, any proposal for further relief to China should be carefully considered and should be considered by this House in a bill entirely separate from the ERP bill.

The Senate considered civilian relief for China in an entirely different bill. Yesterday that bill passed the Senate, and, during debate, Senator VANDENBERG, chairman of the Foreign Relations Committee, said:

We cannot deal with the Chinese economy on an over-all basis as we have done in the European Recovery Program. China is too big. The problem is too complicated.

This bill started out as a European recovery program, and that is the way it passed the other body. The bill originally proposed the authorization of funds for the economic recovery and rehabilitation of 16 nations who had banded together to help themselves. I would not support title I of this bill if its provisions were not predicated on the condition that these nations give and take among themselves and help themselves.

Regardless of what has been said to the contrary, this bill is the first step in a 4-year program to help Europe. The termination date of the program, 1952, is written all through the bill. It is true that the bill requires that next year another authorization and another appropriation will have to be provided by the Congress before the program can be continued. That language is mostly surplusage, as everyone knows that this Congress cannot bind a succeeding Congress. The fact remains that we are here embarking on a 4-year program.

If title IV remains in this bill, although no long-range program has been worked out for China, you can count on it that next year China will be back for additional millions, yea billions, on the ground that we are committed to a long-range program in China as we are committing ourselves to such a program in Europe.

Any plan for relief in China must be studied carefully in the light of conditions in the Pacific. It should be studied in the light of the needs of the Philippine Islands, Korea, and Japan, and it should be based on what those countries are willing and can do for themselves.

It is true that communism is bearing down on China, too, and that it is to our interest to combat communism on all the fronts of the world. However, our wealth is not unlimited and it would be extremely unwise to spread our help lines too thin and in a way that would benefit no one in the long run. Such a procedure would be pouring money into a rat hole.

The focal point of the world cold battle against communism is in Europe and the Mediterranean area. There you will find potentially forty-odd percent of the industrial output of the world. That is the area communism covets most because they need control of industrial output most. The hammer and sickle already waves over plenty of land, raw materials, and manpower. Let that flag fly over the 16 nations of Europe with their mechanical genius and industrial know-how and Russia will be a long way on the road to world conquest indeed.

While I deeply sympathize with China and admire her steadfastness in her battle against foreign domination, I am afraid that the money allowed here for China will not accomplish any worthwhile purpose—that is, unless we follow up with a 4-year program such as has been proposed for Europe and spend billions of dollars to carry through. I simply do not believe that the United States can afford such expenditures with no logical expectation of a return on the investment.

As a matter of fact, the money here proposed for economic support and military aid to Italy, Greece, and Turkey will in the long run prove to be of more benefit to China than the money provided in title IV of the bill. If Italy, Greece, and Turkey fall to communism, and the Dardanelles come under Russian domination, then the road to China is open to the Soviet from the south and the west, as she will be encircled by the forces of communism.

As was said by Peter the Great, "He who controls the commerce of India will control the destiny of Europe and of the world." He might well have added that he who controls the Mediterranean and the Dardanelles will eventually control the commerce of India and China as well.

Mr. Chairman, I have come to the conclusion that over a 4-year period the United States must make this \$17,000,-000,000 investment to rehabilitate and restore the economy of Europe.

During the recent war, General Marshall chose France as the focal point of his attack and he amassed a preponderant strength there, and we won. Had he divided his forces to attack all over the world at the same time, we would have lost the war. Now, in attempting to build a bulwark against Communist aggression, we must use such resources as we can spare in the area it will do the most good, and that area is Europe.

The CHAIRMAN. The time of the gentleman from South Carolina [Mr. RICHARDS] has expired.

Mr. VORYS. Mr. Chairman, I move that debate on this amendment and all



amendments to title 4 close in 15 minutes, the last 5 minutes to be reserved to the Committee.

The motion was agreed to.

The CHAIRMAN. The gentleman from Colorado [Mr. CARROLL] will be recognized for 2 minutes.

Mr. CARROLL. I believe this amendment is a reasonable one, because we have not fully considered the effect of the aid that is going to be given to China.

It has been reliably reported that our military intervention in China today, if continued to a successful conclusion, might very well commit this Nation to an expenditure of an additional thirty to forty billions of dollars. I want the record clearly to show that the funds authorized for China in this bill are not to be construed in any manner as committing me to a program of future support to the extent of this enormous sum of money. In my opinion aid to China should be considered separate and should be further explored before this Nation is committed to a course of action either legal or moral. Every legislator knows that sound and constructive legislation cannot be written upon the floor of this House. Yet during the consideration of this bill, in many instances, wisdom and caution have been thrown to the winds.

Only yesterday this body, by passage of amendment to bring Spain into the provisions of this bill, dealt the forces of democracy a staggering blow.

This intemperate action has had serious repercussions all over the world and particularly in Europe. The action of this body with reference to Spain has caused bitterness and despair among the democratic forces of Italy according to wire reports from Rome. Press reports from Rome indicate that all of the good that came from the recent Trieste proposal has been wiped away by the action of this body. From London and other parts of the world anger follows amazement and despair. It is incredible to them that this body could have been so inconsiderate and unwise in its action. Fourteen of the 16 nations of Europe have said they will not include Spain within ERP. It ought to be clear to every Member of this body that whether or not Spain is to be included within the group of the nations of western Europe is a matter for the determination of those nations, and is not subject to political dictation by this Congress.

Not only has your action jeopardized the success of the coming election in Italy—you have given fuel to the flame of propaganda that is designed to blacken the spirit, the intent and the purpose of this legislation. You have done a great injustice not only to the American people but to the spirit of this program which has been labeled a recovery program, a program designed to achieve peace in the world.

This ought to be a lesson to you. Minds and tongues should be curbed, for the well of this House has become a sounding board for much of the propaganda that is being used against us in Europe and other parts of the world. Let us devote our thoughts and speech to our faith and hopes for peace and for real democracy, and never permit our-

selves to be placed in the position of embracing or sponsoring any totalitarian force in any part of the world.

The CHAIRMAN. The time of the gentleman from Colorado [Mr. CARROLL] has expired.

The Chair understands there are some further amendments pending, and will ask that those names which have been read who desire to speak on the Richards amendment will please indicate it, and they will be recognized first.

The Chair recognizes the gentleman from New York [Mr. CELLER].

Mr. CELLER. Mr. Chairman, to my mind, the inclusion of title IV, Chinese aid, is a sort of a stand-and-deliver attitude taken by the Foreign Affairs Committee. I want to vote for the bill, but title IV, Chinese aid, like military aid to Turkey and Greece, is holding my vote in ransom. To my mind, that is mean, shabby politics.

Let us read what General Stilwell said about China only in 1944, as appears in a recent publication:

Under Chiang Kai-shek they may expect greed, corruption, favoritism, more taxes, a ruined currency, terrible waste of life, callous disregard for all the rights of men.

The Senate Foreign Relations Committee only day before yesterday issued a public statement highly condemnatory of China. The chairman of that committee turned right about and withdrew the statement, but the statement is still true. It in part follows:

The unfavorable factors (in China) presently outweigh the favorable.

Inefficiency, corruption, and bureaucratic maladies became even more devastating in a period of dislocation and inflation. Ineptitude in military leadership and corruption among army commanders has contributed largely to the lowered morale of the Chinese Government troops.

The country never developed a favorable balance of trade and the unfavorable balance obviously grew worse in the past few years. An important psychological factor is the lack of popular confidence in the Chinese Government.

Under the present circumstances, it is not possible to develop a practical, effective, long-term over-all program for China's economic recovery predicated upon outside assistance from the United States. We cannot underwrite the destiny of China.

That is the government we are seeking to aid by this title. Note the conclusion of the Senate Foreign Relations Committee that under the present regime no economic recovery is possible. Thus our goods and money and material would be wasted.

It will not be any aid to the Chinese peasant who is desperately in need. Those who are entitled to aid will not get it. Instead, we will be bolstering up a decadent and bureaucratic government that is not entitled to the slightest vestige of support.

I have done all I can to eliminate the vexatious provisions of the bill. I have fought to cut out aid to Franco and Fascist Spain. I have struggled to drop aid of military character, especially to Greece and Turkey. I battled against aid to China. I believe in ERP. It is sound doctrine. It is temporary aid to war-torn Europe and permanent economic rehabilitation. It envisages that

the 16 European countries to be aided will do all and sundry to reestablish themselves, especially with the aid of United States capital and consumer goods.

Several evil provisions have been added. I opposed them. For the sake of the basic structure of the bill, I will have to swallow the provisions I dislike. That is unfortunate. I fervently hope the bill will be perfected in conference. Particularly I pray that the Senate will refuse aid to Franco and China and that the conferees will return a bill to us clean and wholesome.

The CHAIRMAN. The time of the gentleman from New York has expired.

The gentleman from Pennsylvania [Mr. FULTON] is recognized for 2 minutes.

Mr. FULTON. Mr. Chairman, I rise in opposition to the Richards amendment to strike out title 4 to cut out the economic aid to China. The gentleman from South Carolina said, "We are appropriating money we know not for what." The gentleman from Colorado, another Democrat, said, "We have not considered the effect of the aid given to China."

May I point out that Secretary Marshall himself, Secretary of State, said before the Foreign Affairs Committee on February 20, 1948:

The Chinese Government is in dire need of assistance in its present serious economic difficulties. However, the political, economic, and financial conditions in China are so unstable and so uncertain that it is impossible to develop a practical, effective, long-term, over-all program for economic recovery. Nevertheless, it is desirable that the United States Government render assistance to China in her present critical situation in order to help retard the present rapid rate of economic deterioration and thus provide a breathing space in which the Chinese Government could initiate important steps toward more stable economic conditions.

Also the Secretary at that time said specifically:

The proposed program of aid for China would provide economic assistance in the amount of \$570,000,000 for the period ending June 30, 1949. Of this amount \$510,000,000 would cover minimum imports of essential civilian type of commodities, chiefly foodstuffs and raw materials, and \$60,000,000 would be for key construction projects. The program concentrates on those commodities believed to be of maximum aid to Chinese civilian economy and those which will insure the greatest aid per dollar spent.

That is the Secretary of State speaking, and here you find the Democratic Party in Congress trying to cut out the program specifically sent up by the Secretary of State to the Foreign Affairs Committee of this Congress. I do not understand it.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

The gentleman from Ohio [Mr. VORYS] is recognized to close the debate.

Mr. VORYS. Mr. Chairman, the gentleman from Minnesota [Mr. JUDD] will close debate on this side.

Mr. JUDD. First, Mr. Chairman, I offer a committee amendment that is at the desk. It is in the nature of a perfecting amendment.



The Clerk read as follows:

Committee amendment: On page 105, line 23, strike out the period and insert the following: "at any time."

Mr. JUDD. Mr. Chairman, this is just to correct a typographical omission in the bill.

The CHAIRMAN. The amendment being in the nature of a perfecting amendment will be voted upon now.

The question is on the committee amendment.

The committee amendment was agreed to.

Mr. JUDD. Mr. Chairman, no one, I think, can rightly justify this bill, or title 4 or any other part of it, on a basis primarily of humanitarianism or charity. The Committee has heard me say on other occasions beginning early last year that such measures as this could be justified in this present world situation and in the present straitened state of America's finances and supplies only if they are essential from the standpoint of the security of the Nation. This is primarily a national defense bill.

We had hoped it would be an alternative to a military policy. Six months ago it perhaps could have been. But world events and Communist aggression have advanced so rapidly that now it probably is more in support of a military policy than an alternative to one.

It was not to divert attention or assistance from Europe to Asia that the aid-to-China sections were put into this bill. Rather, it was to strengthen and support the program in Europe. We do not believe that Asia is more important to our security than Europe, but we do not believe it is less important. As General MacArthur put it in his cabled reply to the committee's request for his view—

It would be utterly fallacious to underestimate China's needs or her importance. For if we embark upon a general policy to bulwark the frontiers of freedom against the assaults of political despotism, one major frontier is no less important than another, and a decisive breach of any will inevitably threaten to engulf all.

How much more will it cost us, in money and resources and men, to keep western Europe free—or even ourselves—if China and Asia go down and Russia is able to concentrate all her attention and strength on the west?

I doubt that ERP can succeed in Europe if Russia gets control of China—which means of Asia—as Russia will if we do not help effectively and at once. To contemplate spending \$17,000,000,000 on one flank during a period of 4 years and nothing on the other is hardly good sense.

An intelligent and immediate program of aid to China consisting of moral support, munitions, American personnel for military training and advice at all levels, dollars to balance China's international payments for necessary imports, to steady her currency, and loans for specific development projects—the sort of program these two titles authorize—should not cost more than about \$500,000,000 a year for 3 years. If that billion and a half for China should make the difference between success and failure of the proposed seventeen billion for Europe, it would seem to me a good investment—and a necessary one.

It is not a scattering of our shots, a diversion from Europe; it is in order to win in Europe that we must try to win also in China.

Suppose we concentrate on Europe alone and succeed there even better than we expect, all we will have is two great armed camps glaring at each other—on one hand Russia and her satellites, strong because essentially one economic and political unit; on the other hand the 16 nations of western Europe, the United States, Canada, Australia, and a few other nations. The success of ERP is necessary merely to restore an uneasy balance with the Soviet-controlled system. But it does not give us preponderance. Which side will have preponderance depends upon which way China goes. The billion people in Asia control the balance of power. China's immediate fate is in our hands. But our ultimate fate is in no small degree in her hands. The people of Asia understand that. They wonder why so many of us fail to see it.

So I repeat, it is not because we care more about Asia and China than we do about Europe. On the other hand, we do not think they are less important. In order to save either, in my judgment, we have to make an honest effort to save both. In both cases our primary concern is and must be the security of our own Nation.

The deadline for China does not come on April 18, as it does for Italy. The deadline for China came a year and a half ago. Any less courageous and tenacious people would have broken long ago under the terrific blows they have suffered and the strains they have endured. They may yet crack up before we can get going. But I have great confidence in the Chinese, based on their record. If we adopt this program and it is carried out in good faith and vigorously, there is good reason to believe that with the amazing resilience and recuperative capacities the Chinese people have, it will succeed in enabling them to retain their independence and their territorial and administrative integrity and to resume the march toward freedom and democracy and better government which they made under their present leadership from 1927 to 1937 in one of the most amazing renaissances of all history. That was interrupted by the Japanese war. They stood alone against Japan for 4½ years while we were daydreaming. They are still resisting valiantly, all attempts to enslave them.

Two months after Pearl Harbor the Congress unanimously passed a bill to grant \$500,000,000 to China. Why? Because it had a good government? No. Because it was an honest or efficient or democratic government by our standard? No. It was still struggling to emerge from an ancient medieval feudalism. We appropriated that money without a single dissenting vote because we desperately needed China on our side. Well, is an independent and friendly China less vital to our security now than then? I think not.

If it had not been so humiliating it would have been a little ludicrous in February 1942 to see the great United

States which had been supplying Japan against China, now on its knees pleading, "Please, China, please hang on with your bare hands and hold the Japanese three long years until we can rebuild our sunken Navy, capture the islands one by one, and eventually bring our superior power to bear upon Japan."

China made good then when we were threatened. We must do no less now.

Mr. Chairman, it is to help the United States of America and to advance our hope for security and peace that we must do the best we can on both flanks. It is to save money, not waste it, that I believe we must make a real effort to keep China independent and on our side.

The CHAIRMAN. All time has expired.

The question is on the amendment offered by the gentleman from South Carolina [Mr. RICHARDS].

The question was taken; and on a division (demanded by Mr. RICHARDS) there were—ayes 31, noes 113.

So the amendment was rejected.

Mr. MARCANTONIO. Mr. Chairman, I offer a substitute, which is at the Clerk's desk.

The Clerk read as follows:

Substitute amendment offered by Mr. MARCANTONIO: Strike out all after the enacting clause and insert the following:

"That this act may be cited as the 'Peace and Reconstruction Act of 1948.'"

"SEC. 2. The Congress finds that after the horror and devastation of World War II, the victorious coalition, responding to the highest and noblest hopes of mankind everywhere, established the United Nations for the promotion and maintenance of peace. It is the declared purpose of the United Nations to maintain international peace and security; to take effective collective measures for the prevention and removal of threats to the peace; to develop friendly relations among nations based on respect for the principle of equal rights and the self-determination of peoples; to achieve international cooperation in solving international problems of an economic, social, cultural, or humanitarian character; to employ international machinery for the promotion of the economic and social advancement of all peoples; and to be a center for harmonizing the actions of nations in the attainment of these ends. Realization of these principles through the United Nations remains the world's last best hope for peace. The United States as initiator of the United Nations and a signatory to its Charter has the high responsibility of strengthening its organization and, through it, building the foundations of an enduring peace.

"Yet the foreign policy of the United States as embodied in the Truman doctrine and as practical continuously since the announcement of that doctrine has seriously weakened the United Nations as an instrument for world peace and collaboration, and negated the high purpose of its Charter. Instead of taking collective measures, through the United Nations, for the prevention and removal of threats to the peace, unilateral action under the Truman doctrine has divided the world into hostile blocs. Instead of employing international machinery for the promotion of the economic and social advancement of all peoples, the Truman doctrine has employed the economic might of the United States unilaterally for political ends. Instead of respecting the principle of equal rights and the self-determination of peoples, the Truman doctrine has intervened in the internal affairs of other nations. Instead of making use of the United



Nations as a center for harmonizing the actions of nations, the Truman doctrine has bypassed the United Nations and provoked international suspicion and tension which, if unchecked, can lead only to war.

"It is therefore declared to be the policy of the Congress that the United States take immediate steps to repudiate the Truman doctrine and reassert leadership in the great task of establishing and maintaining peace through the United Nations. It is the further policy of the Congress to respond to the desperate need of the European victims of Axis aggression for the reconstruction and economic development of their war-devastated lands by providing aid through the instrumentality of the United Nations and in accordance with the purpose of its Charter to employ international machinery for the promotion of the economic and social advancement of all peoples, while guaranteeing their right to determine for themselves the forms of their social, political, and economic institutions, without intervention or interference.

**"UNITED NATIONS EUROPEAN RECONSTRUCTION AND ECONOMIC DEVELOPMENT ADMINISTRATION"**

"Sec. 3. (a) The Congress calls upon the President to request the Secretary General of the United Nations to convene a special session of the General Assembly of the United Nations at the earliest possible date.

"(b) The Congress calls upon the President to instruct the representatives of the United States in the General Assembly, upon the convening of that body, to submit a proposal for the establishment of a European Reconstruction and Economic Development Administration (herein referred to as the 'Administration') within the United Nations, based upon the following principles:

"(1) The Administration shall include representatives of the United States and of all European members of the United Nations.

"(2) The Administration shall be charged with the administration and distribution of a European reconstruction and economic development fund (herein referred to as the 'fund').

"(3) The fund shall be made up by voluntary contributions from members of the United Nations, or by quotas determined by the Administration on the basis of ability to pay and shall be in the aggregate amount of at least \$25,000,000,000 over a period of 5 years.

"(4) The fund shall be available to provide loans or grants to individual European nations for the purposes of rehabilitation, reconstruction, and economic development, to the end that the immediate human suffering of their people may be alleviated and their industry and agriculture restored and placed on a self-sustaining basis at the earliest practicable time. In addition, loans and grants may be made available for industrial development, with special emphasis on the industrially backward nations, to raise the living standards of their people, provide for the full utilization of their natural resources and promote economic cooperation and world trade.

"(5) Priority in the allocation of funds shall be given to those nations which suffered most severely from Axis aggression. All allocations of funds shall be based solely on this consideration and on the basis of need, without regard to the character of the political and social institutions of the recipient nation and without the imposition of any political conditions or any economic conditions other than those necessary to insure that the allocated funds will be expended for the purpose for which the allocation was made, without waste or inefficiency.

"(6) The entire fund shall be used exclusively for peaceful purposes, and no allocation shall be made to finance the purchase, manufacture, or maintenance of any military establishment, armaments, munitions, mil-

itary supplies, or equipment of any kind or character whatsoever.

"(7) Special attention shall be given to raising the levels of food production, providing an ever-normal world food granary and raising the minimum nutrition and shelter standards of all recipient nations.

"Sec. 4. There is hereby authorized to be appropriated the sum of \$5,000,000,000 for the fiscal year commencing July 1, 1948, and a like sum for each of the four fiscal years next following, which shall be available for payment by the United States to the European Reconstruction and Economic Development Administration from and after the date it is established.

**"EMERGENCY AID"**

"Sec. 5. In order to provide immediate emergency relief to the peoples of the war-devastated European nations pending the establishment of the United Nations' European Reconstruction and Economic Development Administration, the President, acting through such departments, agencies, or independent establishments of the Government as he shall direct, may make grants to the governments of European nations to finance the procurement, from any source determined by the recipient of food or fuel or any commodity, machinery, or equipment required for the production of food or fuel. In determining the nations to which grants shall be made under this section, and the amounts of such grants, the President shall be bound by the provisions of subdivision (5) of section 3 of this act and no economic, political, or other conditions shall be attached to such grants except for the united purpose expressly provided in subdivision (5) of section 3 of this act.

"Sec. 6. There is hereby authorized to be appropriated not to exceed \$500,000,000 to carry out the provisions of section 5 of this act: *Provided*, That no funds shall be obligated under such appropriation subsequent to January 1, 1949, or the date of the organization of the United Nations' Reconstruction and Economic Development Administration, whichever is earlier.

**"REDUCTION OF ARMAMENTS"**

"Sec. 7. From and after the effective date of this act, and notwithstanding any other provision of law, the United States shall not in time of peace, unless the Security Council of the United Nations shall otherwise determine, give, or sell to any other nation any military or naval equipment, munitions, arms, armament, or supplies, or finance the purchase of the same by any other nation, and any moneys heretofore appropriated by the Congress for any such purpose shall not be obligated therefor.

"Sec. 8. It shall be the declared policy of the United States to promote universal disarmament as a means of preventing war and removing the crushing burden of mounting armament appropriations from the people of all lands, including our own. To that end, the Congress calls upon the representatives of the United States in the United Nations to propose to the Commission for Conventional Armaments the immediate reduction by all nations in their armament and military expenditures for all types of armaments to an amount not in excess of 10 percent of the current rate."

Mr. DONOHUE. Mr. Chairman, I ask unanimous consent to extend my remarks at that point in the Record where the debate on title I of the bill was concluded.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. MARCANTONIO. Mr. Chairman, I realize the effort we are now making is a futile one here. I know that nothing

I can say or anyone else can say here this evening will change the course of events in this House. However, in the final analysis, our efforts are not futile because we believe that judgment on this matter will not be finally rendered here today. Final judgment on this far-reaching issue will be given by time and events and the American people. So as to have the record complete, and so that the record will demonstrate that efforts have been made by some of us to preserve the peace of the world, I have offered this substitute. In making the fight that we are making in these last minutes of the debate, I assure you we are not going to be deterred by smears, threats, and lies from carrying this fight back to the people.

We have been told to go back to the country that we love. We take that advice. We are going back to the country we love—we are going back to the election precincts of our cherished United States, and we are going to take this fight to the American people. Let me say right here and now we are not going to be deterred by any vituperation that may come from any tobacco patriot or from any cotton king or from any corn and corny orator or from any arrogant Jim Crow flag-waver who brazenly talks of democracy here, but personally refuses to apply it in the communities that he represents. In making the fight against this bill, we have charged it to be a bill for imperialism and monopoly capitalists, and what has happened during the last 3 days demonstrates the correctness of our position. You started out with a bill which was intended to write into law agreements and policies that extend the control of monopoly capital over these nations—yes, Wall Street monopoly capital, and when we attack Wall Street monopoly capital from the floor of the House, we are not attacking America—we are defending America because the enemy of America today, the enemy of the world today, is Wall Street monopoly capital. Now let us see what has happened to this bill, this monopoly capital bill conceived in fascism. You have the proof of it before you. As a logical sequence and as an integral part of this big trust, Wall Street Marshall plan, let me say to my so-called liberal friends, you had nothing else to expect but aid to the Chinese Hitler, Chiang Kai-shek. You had nothing else to expect but aid to the Fascist governments of Greece and Turkey. You had nothing else to expect but the betrayal of Palestine. Yes; and you could not expect anything else but the insertion of aid to the Butcher of Spain, Franco. All this had to be expected because all this is an integral part of the living flesh and blood of imperialism in which this bill was conceived. Let me say further that in consequence of the alleged anti-Communist policy with which some of you so-called liberals seek to justify your vote for this measure, there would have been included aid to Mussolini and Hitler if they had been alive and if they were still ruling their respective countries. This so-called anti-Communist policy is driving this Nation not only to war but also into



fascism. In sharp contrast to the bill you support our substitute is the way of the United Nations; and as Fiorello LaGuardia described it, the way of Christ, toward peace and security and freedom.

The CHAIRMAN. The time of the gentleman from New York [Mr. MARCANTONIO] has expired.

Mr. VORYS. Mr. Chairman, I move that all debate on the pending amendment, on the committee substitute, and all amendments thereto, do now close.

The motion was agreed to.

The CHAIRMAN. The question is on the substitute amendment offered by the gentleman from New York [Mr. MARCANTONIO].

The question was taken; and on a division (demanded by Mr. MARCANTONIO) there were—ayes 6, noes 270.

So the amendment was rejected.

The CHAIRMAN. The question recurs on the committee substitute for the Senate bill, as amended by amendments that have been adopted in Committee of the Whole.

The committee substitute, as amended, was agreed to.

The CHAIRMAN. Under the rule, the Committee now rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. CASE of South Dakota, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (S. 2202) to promote the general welfare, national interest, and foreign policy of the United States through necessary economic and financial assistance to foreign countries which undertake to cooperate with each other in the establishment and maintenance of economic conditions essential to a peaceful and prosperous world, pursuant to House Resolution 505, he reported the same back to the House with an amendment adopted in Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the amendment. The amendment was agreed to.

The SPEAKER. The question is on the third reading of the bill.

Mr. MARCANTONIO. Mr. Speaker, a point of order. I make the point of order, that the House has not been given an opportunity to request a separate vote on any amendment that was adopted. The rule under which the bill was considered, as I understand it, provided that it should be read for amendment, and any amendment agreed to by the Committee of the Whole would be subject to a request for a separate vote.

The SPEAKER. The Chair will state there was no effort being made to deprive Members of that opportunity.

Mr. MARCANTONIO. I do not imply that at all, Mr. Speaker. I want to publicly state that I think the present Speaker has at all times been eminently fair to the minority.

The SPEAKER. The Chair will state that he did not ask if a separate vote on any amendment was demanded.

Is a separate vote on any amendment demanded?

Mrs. DOUGLAS. Mr. Speaker, I request a separate vote on the so-called O'Konski amendment.

Mr. CELLER. Mr. Speaker, I demand a separate vote on title III and title IV.

The SPEAKER. Those amendments were not agreed to in Committee of the Whole.

The Clerk will report the amendment upon which a separate vote is demanded.

The Clerk read as follows:

Amendment offered by Mr. O'KONSKI: On page 50, line 16, after the word "including" add "Spain" and a comma.

Mrs. DOUGLAS. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were refused.

The SPEAKER. The question is on the adoption of the amendment.

Mr. MARCANTONIO. Mr. Speaker, on that I ask for tellers.

Tellers were refused.

Mr. MARCANTONIO. Mr. Speaker, I ask for a division.

The question was taken; and on a division there were—ayes 188, noes 104.

So the amendment was agreed to.

The SPEAKER. The question is on the committee amendment as amended.

The committee amendment as amended was agreed to.

The bill was ordered to be read a third time and was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. JOHNSON of Oklahoma. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. JOHNSON of Oklahoma. I am.

The SPEAKER. The gentleman qualifies. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. JOHNSON of Oklahoma moves that S. 2202 be recommitted to the Committee on Foreign Affairs.

Mr. VORYS. Mr. Chairman, I move the previous question on the motion to recommit.

The previous question was ordered.

The SPEAKER. The question is on the motion to recommit.

The motion to recommit was rejected.

The SPEAKER. The question is on the passage of the bill.

Mr. VORYS. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 329, nays 74, answered "present" 2, not voting 26, as follows:

[Roll No. 34]

YEAS—329

Abernethy  
Albert  
Allen, Calif.  
Allen, La.  
Almond  
Andersen,  
H. Carl  
Anderson, Calif.  
Andrews, N. Y.  
Angell  
Arends  
Auchincloss  
Bakewell  
Barrett  
Bates, Ky.  
Bates, Mass.  
Battle  
Beall

Beckworth  
Bell  
Bender  
Blackney  
Bland  
Biatnik  
Bloom  
Boggs, Del.  
Boggs, La.  
Bolton  
Bonner  
Bradley  
Bramblett  
Brehm  
Brooks  
Brophy  
Brown, Ga.  
Bryson

Buchanan  
Buck  
Buckley  
Bulwinkle  
Burke  
Burleson  
Butler  
Byrne, N. Y.  
Byrnes, Wis.  
Camp  
Canfield  
Cannon  
Carroll  
Carson  
Case, N. J.  
Celler  
Chadwick  
Chapman

Chelf  
Clark  
Clason  
Cole, Kans.  
Cole, N. Y.  
Colmer  
Combs  
Cooley  
Cooper  
Corbett  
Cotton  
Coudert  
Courtney  
Cox  
Cravens  
Crosser  
Crow  
Cunningham  
Dague  
Davis, Ga.  
Davis, Tenn.  
Davis, Wis.  
Dawson, Ill.  
Dawson, Utah  
Deane  
Delaney  
Devitt  
D'Ewart  
Dirksen  
Dolliver  
Domeneaux  
Donohue  
Douglas  
Durham  
Eaton  
Eberharter  
Elliott  
Ellsworth  
Elsaesser  
Elston  
Engel, Mich.  
Engle, Calif.  
Evins  
Fallon  
Feighan  
Fellows  
Fenton  
Fernandez  
Fisher  
Flannagan  
Fletcher  
Fogarty  
Folger  
Foote  
Forand  
Fuller  
Fulton  
Gallagher  
Gamble  
Garmatz  
Gary  
Gathings  
Gavin  
Gearhart  
Gillette  
Goff  
Goodwin  
Gordon  
Gore  
Gorski  
Gossett  
Graham  
Granger  
Grant, Ind.  
Gregory  
Gross  
Hale  
Hall  
Hall, Edwin Arthur  
Hall, Leonard W.  
Halleck  
Hardy  
Harless, Ariz.  
Harris  
Hart  
Hartley  
Harvey  
Havener  
Hays  
Hébert  
Hedrick  
Heffernan

Herter  
Hesclton  
Hess  
Hill  
Hinshaw  
Hobbs  
Hoeven  
Hollifield  
Holmes  
Hope  
Horan  
Huber  
Jackson, Calif.  
Jackson, Wash.  
Javits  
Jenkins, Ohio  
Jenkins, Pa.  
Jennings  
Jensen  
Johnson, Calif.  
Johnson, Tex.  
Jones, Ala.  
Jones, N. C.  
Jones, Wash.  
Jonkman  
Judd  
Karsten, Mo.  
Kearney  
Kearney  
Keating  
Kee  
Keefe  
Kefauver  
Kelley  
Kennedy  
Keogh  
Kerr  
Kersten, Wis.  
Kilburn  
Kilday  
King  
Kirwan  
Klein  
Kunkel  
Lane  
Lanham  
Latham  
Lea  
LeCompte  
LeFevre  
Lichtenwalter  
Lodge  
Lucas  
Ludlow  
Lusk  
Lyle  
Lynch  
McConnell  
McCormack  
McCulloch  
McDonough  
McDowell  
McGarvey  
McMahon  
McMillan, S. C.  
McMillen, Ill.  
Mack  
MacKinnon  
Madden  
Mahon  
Maloney  
Mansfield  
Mathews  
Meade, Ky.  
Meade, Md.  
Morrow  
Meyer  
Michener  
Miller, Calif.  
Miller, Conn.  
Miller, Md.  
Mills  
Monroney  
Morgan  
Morrison  
Morton  
Muhlenberg  
Multer  
Mundt  
Murdock  
Murray, Tenn.  
Murray, Wis.

Nicholson  
Nixon  
Nodar  
Norblad  
Norton  
O'Brien  
O'Toole  
Pace  
Patman  
Patterson  
Peden  
Peterson  
Pfeifer  
Phillips  
Phillips, Tenn.  
Pickett  
Ploeser  
Plumley  
Poage  
Potter  
Potts  
Poulson  
Preston  
Price, Fla.  
Price, Ill.  
Priest  
Ramey  
Rayburn  
Redden  
Rees  
Reeves  
Regan  
Richards  
Riehlman  
Riley  
Robertson  
Rockwell  
Rogers, Fla.  
Rogers, Mass.  
Rohrbough  
Ross  
Russell  
Sabath  
Sadlak  
St. George  
Sarbacher  
Sasser  
Scoblick  
Scott, Hardie  
Scott,  
Hugh D., Jr.  
Seely-Brown  
Sheppard  
Simpson, Ill.  
Simpson, Pa.  
Smathers  
Smith, Maine  
Smith, Va.  
Snyder  
Somers  
Spence  
Stanley  
Stevenson  
Stigler  
Stockman  
Stratton  
Sundstrom  
Taber  
Talle  
Teague  
Thomas, Tex.  
Thompson  
Tibbott  
Tollefson  
Towe  
Trimble  
Van Zandt  
Vinson  
Vorys  
Wadsworth  
Welch  
Welch  
Wheeler  
Whitten  
Whittington  
Wigglesworth  
Williams  
Wilson, Tex.  
Winstead  
Wolcott  
Wolverton  
Worley  
Zimmerman

NAYS—74

Allen, Ill.  
Arnold  
Banta  
Barden  
Bennett, Mich.  
Bennett, Mo.  
Bishop  
Buffett  
Case, S. Dak.

Chenoweth  
Chipperfield  
Church  
Clevenger  
Clippinger  
Cole, Mo.  
Crawford  
Curtis  
Dondoro

Dorn  
Doughton  
Ellis  
Gillie  
Griffiths  
Gwinn, N. Y.  
Gwynne, Iowa  
Hagen  
Hand



Harness, Ind.	McGregor	Schwabe, Okla.
Harrison	Marcantonio	Scrivner
Hoffman	Martin, Iowa	Shafer
Hull	Miller, Nebr.	Short
Isacson	Morris	Smith, Kans.
Jenison	O'Hara	Smith, Ohio
Johnson, Ill.	Owens	Smith, Wis.
Johnson, Ind.	Phillips, Calif.	Stefan
Johnson, Okla.	Powell	Twyman
Knutson	Rankin	Vail
Landis	Reed, Ill.	Vursell
Larcade	Reed, N. Y.	Wilson, Ind.
Lemke	Rich	Wood
Lewis	Sadowski	Woodruff
Love	Sanborn	Youngblood
McCowan	Schwabe, Mo.	

## ANSWERED "PRESENT"—2

Brown, Ohio      Macy

## NOT VOTING—26

Abbitt	Hendricks	Rains
Andresen	Jarman	Rivers
August H.	Lesinski	Rizley
Andrews, Ala.	Manasco	Rooney
Boykin	Mason	Sikes
Busbey	Mitchell	Taylor
Coffin	Norrell	Thomas, N. J.
Dingell	O'Konski	Walter
Grant, Ala.	Passman	West

So the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Rooney for, with Mr. Mason against.  
Mr. Coffin for, with Mr. Busbey against.  
Mr. Rains for, with Mr. Passman against.  
Mr. Brown of Ohio for, with Mr. Rizley against.

General pairs until further notice:

Mr. Thomas of New Jersey with Mr. Walter.  
Mr. Mitchell with Mr. Rivers.  
Mr. Taylor with Mr. Abbitt.

Mr. BROWN of Ohio. Mr. Speaker, on this roll call I voted "yea." I have a live pair with my colleague the gentleman from Oklahoma [Mr. RIZLEY] who, if present, would have voted "nay." I therefore withdraw my vote and answer "present."

The result of the vote was announced as above recorded.

The title was amended so as to read: "An act to promote world peace and the general welfare, national interest, and foreign policy of the United States through economic, financial, and other measures necessary to the maintenance of conditions abroad in which free institutions may survive and consistent with the maintenance of the strength and stability of the United States."

A motion to reconsider was laid on the table.

Mr. VORYS. Mr. Speaker, I ask unanimous consent that the House insist on its amendment ask for a conference, and that the Speaker be authorized to appoint conferees.

The SPEAKER. Is there objection to the request of the gentleman from Ohio? There was no objection.

The SPEAKER. The Chair appoints the following conferees: Messrs. EATON, VORYS, MUNDT, BLOOM, and KEEFE.

## GENERAL LEAVE TO EXTEND

Mr. VORYS. Mr. Speaker, I ask unanimous consent that all Members may have five legislative days within which to extend their remarks on this bill.

The SPEAKER. Is there objection to the request of the gentleman from Ohio? There was no objection.

## SPECIAL ORDER GRANTED

Mr. EDWIN ARTHUR HALL. Mr. Speaker, I ask unanimous consent to address the House for 45 minutes on Monday next, following the business of the day and any special orders heretofore entered for that day.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

## RUBBER ACT OF 1948

Mr. SHAFER. Mr. Speaker, I call up the conference report on the bill (H. R. 5314) to strengthen national security and the common defense by providing for the maintenance of an adequate domestic rubber-producing industry, and for other purposes, and ask unanimous consent that the statement of the managers be read in lieu of the report.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The conference report and statement are as follows:

## CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 5314) to strengthen national security and the common defense by providing for the maintenance of an adequate domestic rubber-producing industry, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "That this Act may be cited as the 'Rubber Act of 1948'."

## "DECLARATION OF POLICY

"SEC. 2. It is the policy of the United States that there shall be maintained at all times in the interest of the national security and common defense, in addition to stock piles of natural rubber which are to be acquired, rotated, and retained pursuant to the Strategic and Critical Materials Stock Piling Act (Public Law 520, Seventy-ninth Congress, approved July 23, 1946), a technologically advanced and rapidly expandable rubber-producing industry in the United States of sufficient productive capacity to assure the availability in times of national emergency of adequate supplies of synthetic rubber to meet the essential civilian, military, and naval needs of the country. It is further declared to be the policy of the Congress that the security interests of the United States can and will best be served by the development within the United States of a free, competitive synthetic-rubber industry. In order to strengthen national security through a sound industry it is essential that Government ownership of production facilities, Government production of synthetic rubber, regulations requiring mandatory use of synthetic rubber, and patent pooling be ended and terminated whenever consistent with national security, as provided in this Act.

"AUTHORITY TO EXERCISE CERTAIN CONTROLS OVER NATURAL RUBBER AND SYNTHETIC RUBBER AND PRODUCTS CONTAINING NATURAL AND SYNTHETIC RUBBER

"SEC. 3. To effectuate the policies set forth in section 2 of this Act, the President is

authorized to exercise allocation, specification, and inventory controls of natural rubber and synthetic rubber, and specification controls of products containing natural rubber and synthetic rubber, notwithstanding any changes in the supply or estimated supply of natural rubber or synthetic rubber; and he shall exercise such controls by issuing such regulations as are required to insure (a) the consumption in the United States of general-purpose synthetic rubber in a specified percentage of the combined total estimated annual consumption of natural rubber and general-purpose synthetic rubber consumed within the United States, and (b) the consumption in the United States of any or all types of special-purpose synthetic rubber in specified percentages of the combined total estimated annual consumption of natural rubber, general-purpose synthetic rubber, and special-purpose synthetic rubber consumed within the United States. Such percentages shall be established so as to assure the production and consumption of general-purpose synthetic rubber and special-purpose synthetic rubber in quantities determined by the President to be necessary to carry out the policy of section 2 of this Act, and the provisions of Public Law 520, Seventy-ninth Congress, approved July 23, 1946: *Provided*, That the minimum percentages established by the President shall result in a total annual tonnage consumption of synthetic rubber of at least the amounts specified in section 5 (d) of this Act, and that any mandatory consumption in excess of the quantities specified in section 5 (d) of this Act shall not be more than is deemed by the President to be necessary in the interest of national security and the common defense.

## "IMPORTATION AND EXPORTATION

"SEC. 4. (a) The President may impose such import restrictions on finished and semifinished rubber products as he deems necessary to assure equality with like or similar products produced within the United States in accordance with regulations issued under this Act.

"(b) The President may exempt from the regulations issued under this Act finished and semifinished rubber products manufactured in the United States exclusively for export outside the United States.

## "DOMESTIC RUBBER-PRODUCING CAPACITY

"SEC. 5. (a) There shall be maintained at all times within the United States rubber-producing facilities having a rated production capacity of not less than six hundred thousand long tons per annum of general-purpose synthetic rubber and not less than sixty-five thousand long tons per annum of special-purpose synthetic rubber.

"(b) Of the sixty-five-thousand-long-ton rated production capacity for special-purpose synthetic rubber, specified in section 5 (a) of this Act, at least forty-five thousand long tons shall be of a type suitable for use in pneumatic inner tubes.

"(c) The synthetic rubber used to satisfy the mandatory consumption provided in section 3 of this Act shall be produced by the Government or for the Government account, or purchased from others for resale by the Government or for the Government account.

"(d) Facilities in operation by the Government or private persons shall produce annually not less than one-third of the rated production capacities specified in section 5 (a) and (b) of this Act.

"(e) The facilities to be maintained in operation by the Government and those to be maintained in adequate stand-by condition shall be determined from time to time by the President.

"(f) At least one facility for making butadiene from alcohol shall be maintained in operation or in adequate stand-by condition.



#### "RESEARCH AND DEVELOPMENT"

"SEC. 6. (a) To effectuate further the policies set forth in section 2 of this Act with respect to a technologically advanced domestic rubber-producing industry, continuous and extensive research by private parties and the Government is essential. The Government is hereby authorized to undertake research in rubber and allied fields and the powers, functions, duties, and authority of the Government to undertake research and development in rubber and allied fields shall be exercised and performed by such departments, agencies, officers, Government corporations, or instrumentalities of the United States as the President may designate, whether or not existing at the date of enactment of this Act.

"(b) The cost of undertaking and maintaining the research and development authorized in section 6 (a) of this Act may be paid from such sums as the Congress, from time to time, may appropriate to carry out the provisions of this Act.

#### "OPERATION OF RUBBER-PRODUCING FACILITIES BY THE UNITED STATES GOVERNMENT"

"SEC. 7. (a) The powers, functions, duties, and authority to produce and sell synthetic rubber conferred in section 7 (b) of this Act shall be exercised and performed by such department, agency, officer, Government corporation, or instrumentality of the United States as the President may designate, whether or not existing at the date of enactment of this Act.

"(b) The department, agency, officer, Government corporation, or instrumentality of the United States designated by the President pursuant to section 7 (a) of this Act shall have the powers, functions, duties, and authority to produce and sell synthetic rubber, including the component materials thereof, in amounts sufficient to assure the production of synthetic rubber as required by the President in section 3 of this Act: *Provided*, That so far as practicable the President shall authorize such production of synthetic rubber, including the component materials thereof, as may be necessary to satisfy voluntary usage of synthetic rubber including the component materials thereof.

"(c) The aforesaid powers, functions, duties, and authority to produce and sell include all power and authority in such department, agency, officer, Government corporation, or instrumentality of the United States to do all things necessary and proper in connection with and related to such production and sale, including but not limited to the power and authority to make repairs, replacements, alterations, improvements, or betterments to the rubber-producing facilities owned by the Government or in connection with the operation thereof and to make capital expenditures as may be necessary for the efficient and proper operation and maintenance of the rubber-producing facilities owned by the Government and performance of said powers, functions, duties, and authority.

"(d) Notwithstanding the provisions of this or any other Act, the aforesaid powers, functions, duties, and authority to produce and sell include the power and authority in such department, agency, officer, Government corporation, or instrumentality of the United States to (1) lease for operation for Government account all or any part of the Government-owned rubber-producing facilities in connection with the performance of said powers, functions, duties, and authority to produce and sell; (2) lease, for a period not extending beyond the termination date of this Act, Government-owned, rubber-producing facilities for private purposes if such lease contains adequate provisions for the recapture thereof for the purposes set forth in section 7 (b) of this Act and if such lease provides that any synthetic rubber or component material as may be produced by the leased facilities shall not be used to satisfy

mandatory requirements established by section 3; (3) grant permanent easements or licenses for private purposes in, on, or over land comprising part of the Government-owned rubber-producing facilities if such grant provides that such easement or license shall not interfere with the use at any time of the rubber-producing facilities involved; and (4) sell or otherwise dispose of obsolete or other property not necessary for the production of the rated capacity of the particular plant to which such property is charged.

#### "STAND-BY FACILITIES"

"SEC. 8. (a) To effectuate further the policies set forth in section 2 of this Act, the President is authorized to place in adequate stand-by condition such rubber-producing facilities as he shall determine necessary to maintain the continued existence of rubber-producing facilities capable of producing the tonnage of synthetic rubber required by section 5 (a) of this Act.

"(b) Rubber-producing facilities placed in stand-by condition by the President pursuant to section 8 (a) of this Act may be maintained by such department, agency, officer, Government corporation, or instrumentality of the United States, whether or not existing on the date of enactment of this Act, as the President may designate: *Provided*, That nothing contained in section 8 (b) of this Act shall preclude such department, agency, officer, Government corporation, or instrumentality of the United States from entering into contracts with private persons for the maintenance of stand-by facilities: *Provided further*, That the cost of placing facilities in stand-by condition, maintaining such facilities in adequate stand-by condition, and, when necessary, reactivating such facilities, may be paid from such sums as the Congress, from time to time, may appropriate to carry out the provisions of this Act.

#### "DISPOSAL OF GOVERNMENT-OWNED RUBBER-PRODUCING FACILITIES"

"SEC. 9. (a) The department, agency, officer, Government corporation, or instrumentality of the United States designated by the President pursuant to section 7 (a) of this Act shall undertake immediate study, conducting such hearings as may be necessary, in order to determine and formulate a program for disposal to private industry by sale or lease of the Government-owned rubber-producing facilities other than those authorized to be disposed of pursuant to section 9 (b) of this Act. A report with respect to the development of such a disposal program shall be made to the President and to Congress not later than April 1, 1949. On or before January 15, 1950, the President, after consultation with the National Security Resources Board, shall recommend to the Congress legislation with respect to the disposal of the Government-owned rubber-producing facilities other than those authorized to be sold, leased, or otherwise disposed of under the provisions of section 9 (b) of this Act, together with such other recommendations as he deems desirable and appropriate: *Provided*, That the Government shall maintain the ownership of a rated rubber-producing capacity of 600,000 long tons of general-purpose rubber and a rated rubber-producing capacity of 65,000 long tons of special-purpose rubber until a program is formulated and adopted for the sale or lease of such facilities as provided in this section.

"(b) Notwithstanding the provisions of this or any other Act, the department, agency, officer, Government corporation, or instrumentality of the United States designated by the President pursuant to section 7 (a) of this Act may, after consultation with the National Security Resources Board, sell, lease, or otherwise dispose of to private persons any rubber-producing facility, including such facilities as have been declared surplus pursuant to the Surplus Property Act of 1944, as amended, not required to fulfill the capacity set forth in section 5 (a) of this Act upon

such terms and conditions as it may determine providing that such sale or lease shall be on the condition that any synthetic rubber or component materials produced in such facility shall not be used to satisfy the mandatory requirements established by section 3 of this Act.

#### "ADMINISTRATION"

"SEC. 10. (a) The President may issue such rules and regulations as he deems necessary and appropriate to carry out the provisions of this Act.

"(b) The President may exercise any or all of the powers, authority, and discretion conferred upon him by this Act, including but not limited to the powers and authority conferred in section 12 of this Act, through such departments, agencies, officers, Government corporations, or instrumentalities of the United States, whether or not existing at the date of the enactment of this Act, as he may direct.

"(c) The President, insofar as practical, shall consolidate all of the powers, functions, and authority contained in this Act in one department, agency, officer, Government corporation, or instrumentality of the United States, whether or not existing at the date of enactment of this Act. The President is authorized to cause a corporation to be organized for the purpose of producing and selling synthetic rubber. Any such corporation so organized shall be authorized, subject to the Government Corporation Control Act and to pertinent provisions of law affecting Government corporations, to sue and be sued, to acquire, hold, and dispose of property, to use its revenues, to determine the character of and necessity for its obligations and expenditures and the manner in which they shall be incurred, allowed and paid, and to exercise such other powers as may be necessary or appropriate to carry out the purposes of the corporation. The Secretary of the Treasury is authorized, out of appropriations made for that purpose, to subscribe to the capital stock of such corporation.

"(d) The President may transfer to the departments, agencies, officers, Government corporations, or instrumentalities of the United States, or to any of them, which he directs to exercise the powers, authority, and discretion conferred upon him by this Act, such rubber-producing facilities, personnel, property, and records relating to such powers, authority, and discretion, as he deems necessary; and he may so transfer all appropriations or other funds available for carrying out such powers, authority, and discretion.

"(e) In addition to the reports required by section 9 (a) of this Act each department, agency, officer, Government corporation, or instrumentality of the United States to whom the President may delegate any powers, authority, and discretion conferred by this Act shall make an annual report to the President and to the Congress of operations under this Act.

#### "PATENT POOLING AND USE OF TECHNICAL INFORMATION"

"SEC. 11. (a) To effectuate further the policies of this Act, the President is authorized and directed to take such action as may be appropriate with respect to patent pooling, patent licensing and exchange of information agreements entered into with the Government as a part of the wartime synthetic rubber program and, insofar as practicable and consistent with the purposes of this Act, to effectuate immediate cessation of further accumulation of technical information or rights to patents under the agreement dated December 19, 1941, as supplemented June 12, 1942, between the Government and others.

"(b) Any department, agency, officer, Government corporation, or instrumentality of the United States as the President may designate to perform the powers, functions, duties, and authority referred to in section 7 (b) of this Act shall be entitled to the



benefits of the Act of June 25, 1910 (36 Stat. 851), as amended July 1, 1918 (40 Stat. 705), or any similar Act.

**"INFORMATION, REPORTS, SUBPENAS, WITNESSES, AND TESTIMONY"**

"Sec. 12. (a) The President shall be entitled to obtain such information from, require such reports and the keeping of such records by, make such inspection of the books, records, and other writings, premises, or property of, any person and make such investigations, as may be necessary or appropriate, in his discretion, to the enforcement or administration of the provisions of this Act.

"(b) For the purpose of obtaining any information, verifying any report required, or making any investigation pursuant to section 12 (a) of this Act, the President may administer oaths and affirmations, and may require by subpoena or otherwise the attendance and testimony of witnesses and the production of any books or records or any other documentary or physical evidence which may be relevant to the inquiry. Such attendance and testimony of witnesses and the production of such books, records, or other documentary or physical evidence may be required at any designated place from any State, Territory, or other place subject to the jurisdiction of the United States: *Provided*, That the production of a person's books, records, or other documentary evidence shall not be required at any place other than the place where such person resides or transacts business, if, prior to the return date specified in the subpoena issued with respect thereto, such person furnishes the President with a true copy of such books, records, or other documentary evidence (certified by such person under oath to be a true and correct copy) or enters into a stipulation with the President as to the information contained in such books, records, or other documentary evidence. Witnesses shall be paid the same fees and mileage that are paid witnesses in the courts of the United States. No person shall be excused from attending and testifying or from producing any books, records, or other documentary evidence or certified copies thereof, or physical evidence, in obedience to any such subpoena, or in any action or proceeding which may be instituted under this Act on the ground that the testimony or evidence, documentary or otherwise, required of him may tend to incriminate him or subject him to a penalty or forfeiture; but no individual shall be subject to prosecution and punishment, or to any penalty or forfeiture, for or on account of any transaction, matter, or thing concerning which he is compelled to testify or produce evidence, documentary or otherwise, after having claimed his privilege against self-incrimination, except that any such individual so testifying shall not be exempt from prosecution and punishment for perjury committed in so testifying. The President shall not publish or disclose any information obtained under this section which the President deems confidential or with reference to which a request for confidential treatment is made by the person furnishing such information, unless the President determines that the withholding thereof is contrary to the interest of the national defense and security; and anyone violating this provision shall be guilty of a felony and, upon conviction thereof, shall be fined not exceeding \$1,000 or be imprisoned not exceeding 2 years, or both.

**"PENALTIES"**

"Sec. 13. Any person who willfully performs any act prohibited, or willfully fails to perform any act required by any provision of this Act or any rule, regulation, or order thereunder, shall upon conviction be fined not more than \$10,000 or imprisoned for not more than two years, or both.

**"JURISDICTION OF THE UNITED STATES COURTS"**

"Sec. 14. (a) The district courts of the United States, and the United States courts

of any Territory or other place subject to the jurisdiction of the United States, shall have jurisdiction of violations of this Act or any rule, regulation, or order or subpoena thereunder, and of all civil actions under this Act to enforce any liability or duty created by, or to enjoin any violation of this Act or any rule, regulation, order, or subpoena thereunder.

"(b) Any criminal proceeding on account of any such violation may be brought in any district in which any act, failure to act, or transaction constituting the alleged violation occurred. Any such civil action may be brought in any such district or in the district in which the defendant resides or transacts business. Process in such cases, criminal or civil, may be served in any district wherein the defendant resides or transacts business or wherever the defendant may be found; and subpoenas for witnesses who are required to attend a court in any district in any such cases may run into any other district. No costs shall be assessed against the United States in any proceeding under this Act.

**"EXCULPATORY CLAUSE"**

"Sec. 15. No person shall be held liable for damages or penalties for any default under any contract or order which shall result directly or indirectly from compliance with this Act or any rule, regulation, or order issued thereunder, notwithstanding that any such rule, regulation, or order shall thereafter be declared by judicial or other competent authority to be invalid.

**"EXEMPTION FROM ADMINISTRATIVE PROCEDURE ACT"**

"Sec. 16. Functions exercised under this Act shall be excluded from the operation of the Administrative Procedure Act except as to the requirements of sections 3 and 10 thereof.

**"SEPARABILITY"**

"Sec. 17. If any provision of this Act or the application thereof to any person or circumstance is held invalid, the validity of the remainder of the Act and of the application of such provision to other persons and circumstances shall not be affected thereby.

**"DEFINITIONS"**

"Sec. 18. For the purposes of this Act—  
"(a) The term 'natural rubber' means all forms and types of tree, vine, or shrub rubber, including guayule and natural-rubber latex, but excluding reclaimed natural rubber;

"(b) The term 'synthetic rubber' means any product of chemical synthesis similar in general properties and applications to natural rubber, and specifically capable of vulcanization, produced in the United States, not including reclaimed synthetic rubber;

"(c) The term 'general-purpose synthetic rubber' means a synthetic rubber of the butadiene-styrene type generally suitable for use in the manufacture of transportation items such as tires or camel-back, as well as any other type of synthetic rubber equally or better suited for use in the manufacture of transportation items such as tires or camel-back as determined from time to time by the President;

"(d) The term 'special-purpose synthetic rubber' means a synthetic rubber of the types now known as butyl, neoprene, or N-types (butadiene-acrylonitrile types) as well as any synthetic rubber of similar or improved quality applicable to similar uses, as determined from time to time by the President;

"(e) The term 'rubber-producing facilities' means facilities, in whole or in part, for the manufacture of synthetic rubber, and the component materials thereof, including, but not limited to, buildings and land in which or on which such facilities may be located and all machinery and utilities associated therewith;

"(f) The term 'rated production capacity' means the actual productive capacity as-

signed to any rubber-producing facilities at time of authorization of construction or as thereafter amended in authorizations of additional construction or alterations thereto and used in published reports and in the records of the Office of Rubber Reserve, Reconstruction Finance Corporation, or successor agency, or privately owned plants, determined by the President based upon operating experience and records as determined from time to time by the President;

"(g) The term 'component materials' means the material, raw, semifinished, and finished, necessary for the manufacture of synthetic rubber;

"(h) The term 'stand-by condition' means the condition in which rubber-producing facilities, in whole or in part, are placed when determined to be not needed for current operations, but are maintained so as to be readily available for the production of synthetic rubber or component materials;

"(i) The term 'person' means any individual, firm, copartnership, business trust, corporation, or any organized group of persons whether incorporated or not, and except for the provisions of section 13 any Government department, agency, officer, corporation, or instrumentality of the United States; and

"(j) The term 'United States' includes the several States, the District of Columbia, the Territories of Alaska and Hawaii, and Puerto Rico.

**"AUTHORIZATION FOR APPROPRIATIONS"**

"Sec. 19. (a) There are hereby authorized to be appropriated such sums as may be necessary and appropriate to carry out the provisions and purposes of this Act.

"(b) Until such time as appropriations herein authorized are made, any department, agency, officer, Government corporation, or instrumentality of the United States may, in order to carry out its functions, powers, and duties under this Act, continue to incur obligations and make expenditures in accordance with laws in effect on March 31, 1948.

**"EFFECTIVE DATE"**

"Sec. 20. This Act shall become effective on April 1, 1948, and shall remain in effect until June 30, 1950."

And the Senate agree to the same.

PAUL W. SHAFER,  
DEWEY SHORT,  
W. STERLING COLE,  
CARL VINSON,

*Managers on the Part of the House.*

JOHN W. BRICKER,  
HARRY CAIN,  
A. WILLIS ROBERTSON.

*Managers on the Part of the Senate.*

**STATEMENT**

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 5314) to strengthen national security and the common defense by providing for the maintenance of an adequate domestic rubber-producing industry, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The Senate amendment struck out all of the House bill after the enacting clause. The committee of conference recommends that the House recede from its disagreement to the amendment of the Senate, with an amendment which is a substitute for both the House bill and the Senate amendment, and that the Senate agree to the same.

Except for the differences noted in the following statement, the conference substitute is substantially the same as the House bill.

The House accepted the Senate language of section 2 with an amendment. In effect the new section adopts the principle that the security interests of the United States



will best be served by the development of a free, competitive synthetic-rubber-producing industry, and that Government ownership of synthetic-rubber-producing facilities, regulations requiring mandatory use of synthetic rubber, Government production of synthetic rubber and patent-pooling should be ended whenever consistent with national security. The House bill, as passed, provided that the Government retain its synthetic-rubber-producing facilities. The Senate amendment provided for the termination of Government ownership, production, and control of synthetic-rubber-producing facilities "at the earliest practical date" consistent with national security. The conferees agreed to strike out the language "at the earliest practical date."

Section 3 remains as passed by the House, except that controls over rubber products are limited to specification control.

Section 4 remains as passed by the House except for a minor clarification of the language in subsection (b).

The conferees rewrote section 5 to provide that there shall be maintained in the United States rubber-producing facilities having a rated production capacity of not less than 600,000 long tons per annum of general purpose rubber and 65,000 long tons of special purpose rubber. The rubber required for mandatory consumption is to be produced by the Government, for Government account, or purchased from others for resale by the Government. The House subsection (d) prevailed in requiring the annual production of not less than one-third of the above-mentioned 665,000 long tons of synthetic rubber.

In all other respects section 5 remains as originally passed by the House.

In effect the new section 5 differs from the original House version in the following respects:

(a) The amount of special-purpose rubber capacity required to be maintained is reduced from 75,000 long tons to 65,000 long tons.

(b) Synthetic rubber is required to be consumed or to be manufactured by the Government or for Government account. However, to provide for the stimulation of private production and technological progress, the Government may purchase and resell synthetic rubber produced by private persons.

Section 6 of the conference amendment is identical with the House version except that the conference amendment specifically authorizes Government research in rubber and allied fields, as well as encourages continuous and extensive research by private persons. This places emphasis on the necessity for research and development to improve the qualities of synthetic rubber, and strengthens the original House language.

The conferees accepted the House version of section 7 with the following changes:

(a) The House conferees accepted a Senate amendment to the effect that the President "shall" rather than "may" authorize production of synthetic rubber for voluntary consumption.

(b) The Government may lease for the duration of this act rubber producing facilities, provided any such lease contains adequate recapture provisions. Such leased facilities may produce synthetic rubber for voluntary consumption.

The original House version allowed leasing for 1 year and prohibited the production of synthetic rubber in any facilities leased under this section.

There were no differences in section 8, which deals with stand-by facilities.

The House accepted the Senate version of section 9, with amendments. Under section 9 (a), as agreed to by the conferees, a study shall be undertaken immediately to formulate a program for the disposal, by sale or lease, of the facilities required to be maintained in the United States under section 5

of the act. A report is required to be presented to the President and to the Congress prior to April 1, 1949, with respect to the development of such a disposal program, and the President is required to present to the Congress, not later than January 15, 1950, his recommendations for legislation on this subject. However, the new section requires that the President shall consult with the National Security Resources Board before presenting his recommendations to the Congress. A proviso was added to section 9 (a) requiring the Government to retain the ownership of 665,000 long tons of rated synthetic-rubber-producing capacity until the program for disposal has been formulated and adopted. This strengthens the provisions of the bill prohibiting the disposal of any facilities required for the rated production capacity to be maintained in the United States.

Section 9 (b) permits the disposal, by the proper agency, as designated by the President, of all facilities in excess of those required to be in existence in the United States over and above the 665,000 long ton rated production capacity. However, the new section 9 (b) as agreed to by the conferees requires the designated disposal agency to first consult with the National Security Resources Board before approving any disposal under this subsection.

Section 9 (b) also provides for the disposal of all facilities not required to maintain the 665,000 long ton rated production capacity, under such conditions as the disposal agency may prescribe, provided that such facilities may not be used to produce synthetic rubber for mandatory consumption.

Section 10 as passed by the House remains substantially the same except the conferees accepted the language in the Senate amendment that authorizes the President to organize a Government corporation for the purpose of producing and selling synthetic rubber.

Section 10 (d) of the House and Senate bills are identical except that the House bill provided an exemption from civil-service laws for personnel that might be transferred within the Government in the administration of the Act. The House conferees agreed with the Senate in the omission of this language.

A Senate amendment to section 10 provided that industry advisory committees should be appointed. The Senate receded on this point. The conferees agreed that by this action there was no intent or inference that the Government should not continue to seek the advice of industry and consult with industry through advisory committees.

The House conferees accepted the Senate language in section 11 which authorizes and directs the President, insofar as practical and consistent with the purposes of the act, to effectuate immediate cessation of further accumulation of technical information or rights to patents under the agreement dated December 19, 1941.

Sections 12 and 13 of the House bill and the Senate amendment were identical, and were not changed by the conferees.

The Senate conferees accepted the House language of section 14.

Sections 15, 16, and 17 of the House bill and the Senate amendment were identical, and were not changed by the conferees.

The Senate accepted substantially all of the definitions contained in section 18, except the conferees combined the definitions of "rated production capacity" in such a way as to permit the rated production capacity assigned to each facility to be changed in the future as determined from time to time by the President.

The House conferees accepted a minor change, for purposes of clarification, in section 19.

The Senate accepted the House language on section 20.

The conferees agreed to the term "synthetic rubber" throughout the act, in lieu of the original House language which referred to this product as "chemical" rubber.

PAUL W. SHAFER,  
DEWEY SHORT,  
W. STERLING COLE,  
CARL VINSON,

*Managers on the Part of the House.*

Mr. SHAFER. Mr. Speaker, I yield 30 minutes to the gentleman from Texas [Mr. JOHNSON] and yield myself such time as I may use.

The SPEAKER. The gentleman from Michigan is recognized.

Mr. SHAFER. Mr. Speaker, the House managers for the Rubber Act of 1948 met with the Senate conferees yesterday and agreed upon a rubber bill which I believe to be a happy compromise of the two bills. All the House conferees who signed the statement are in accord.

As you know, the present law with respect to controls over synthetic rubber expires at midnight tonight. Therefore speed is essential in order that the production of synthetic rubber can continue without interruption.

The policy of the act recognizes the fact that the security interests of the country can best be served by the development within the United States of a free competitive synthetic rubber industry. It also recognizes the fact that all Government controls and Government ownership should terminate whenever consistent with national security. In effect, it recognizes what the history of two world wars has proved to this country, that private industry plays a vital role in our national security.

However, it is not our intention, nor does this bill permit, our vast synthetic rubber industry to be turned over to private industry at this time. The bill requires that there be maintained in the United States rubber-producing facilities capable of producing a rated production capacity of 600,000 long tons of general purpose rubber and 65,000 long tons of special purpose rubber. Everyone agrees that this capacity is ample to protect the United States in the event of an emergency.

Of this amount, the bill requires that one-third be produced and consumed in the United States. This will assure the development of the synthetic industry, and progress in the method of manufacturing this product. The remaining capacity, which includes fringe plants and those not specifically required for national defense, may be sold or leased under certain conditions after the disposal agency has consulted with the National Security Resources Board.

The bill before you authorizes the President to exercise allocation, specification, and inventory controls over natural rubber and synthetic rubber and authorizes specification controls over natural rubber and synthetic rubber products. This applies to all rubber products and permits the President, if necessary, to require the use of synthetic rubber in all rubber products. In addition, as I have indicated before, the bill requires that there be manufactured and consumed in the United States a minimum of 222,000 tons of synthetic rubber per year.



The bill encourages private enterprise by permitting the Government to purchase rubber from private producers for resale by the Government, to satisfy mandatory consumption. This, then, will permit a private producer, who has developed a new and better synthetic rubber, to sell his product to the Government, but since we are requiring the consumption of synthetic rubber, the Government, in turn, will assure equal distribution by selling it to those who are required to use this rubber. In addition, the bill stimulates private enterprise by permitting the leasing of plants for the duration of the act for private purposes, which will allow the production of synthetic rubber for voluntary usage.

An important item of the bill pertains to the disposal of the facilities now owned by the Government. The bill now before you requires that a study be undertaken immediately to formulate a program for disposal by sale or lease of the Government-owned rubber-producing facilities required to maintain the 665,000 long tons that must be maintained in the United States. A report with respect to the development of this program must be made to the President and to the Congress not later than April 1, 1949. Then, on or before January 15, 1950, the President, after consultation with the National Security Resources Board, must recommend to the Congress legislation with respect to the disposal of these facilities. Note that this will allow the Congress to approve, amend, or disapprove any legislation with respect to the disposal of the 665,000-ton rated production capacity that is to be maintained in the United States. And none of this 665,000-ton capacity can be sold except by congressional action. Other plants beyond this capacity may be sold by the disposal agency only after consultation with the National Security Resources Board.

We believe this to be a workable, efficient bill that will be acceptable to the Government and industry and, at the same time, will protect the American consumer, and above all, our national security. We have provided adequate safeguards for the disposal of these facilities. We have provided for technological progress and we have assured the maintenance of our synthetic-rubber industry. This is the culmination of a year's hard work by a subcommittee of the Armed Services Committee. I am convinced the bill in the form now before you is sound, just, and practical.

Mr. JOHNSON of Texas. Mr. Speaker, will the gentleman yield?

Mr. SHAFER. I yield to the gentleman from Texas.

Mr. JOHNSON of Texas. Did I understand the gentlemen to say that under the provisions of the conference report as the House conferees brought it back here, none of the 665,000 tons of rated-production capacity may be sold unless and until the Congress authorizes that sale?

Mr. SHAFER. The gentleman is correct. The Congress must act on that and fix it by statute before any of it can be sold.

Mr. COLE of New York. Mr. Speaker, will the gentleman yield?

Mr. SHAFER. I yield to the gentleman from New York.

Mr. COLE of New York. The gentleman has indicated that this bill authorizes the sale of our rubber plants in excess of production capacity of 665,000 tons. Is it not the gentleman's opinion that those plants, for which authority is given in this act for the current sale, should be the plants which are the least efficient; that is, the high-cost plants should be sold first?

Mr. SHAFER. The so-called fringe plants; yes.

Mr. COLE of New York. I want it definitely understood that the excess-production-capacity plants which the bill authorizes for sale are to be those which are the high-cost plants, and not the low-cost or efficient plants.

Mr. SHAFER. That is right.

Mr. CURTIS. Mr. Speaker, will the gentleman yield?

Mr. SHAFER. I yield to the gentleman from Kansas.

Mr. CURTIS. In referring to this provision that regulations requiring the mandatory use of synthetic rubber should be ended whenever consistent with the national security, who shall determine whenever it is consistent with the national security to end them?

Mr. SHAFER. Why, the President is to determine that, after consultation with the National Security Resources Board.

Mr. CURTIS. Is his determination final, or is that up to the Congress?

Mr. SHAFER. No. The Congress decides that after the President recommends.

Mr. CRAWFORD. Mr. Speaker, will the gentleman yield?

Mr. SHAFER. I yield to the gentleman from Michigan.

Mr. CRAWFORD. What tonnage is left in the bill as mandatory use?

Mr. SHAFER. Six hundred and sixty-five thousand tons.

Mr. CRAWFORD. I do not think the gentleman understood me. What would be the productive capacity?

Mr. SHAFER. Two hundred and twenty-five thousand mandatory use.

Mr. CRAWFORD. On GRS?

Mr. SHAFER. Yes.

Mr. CRAWFORD. How much on special purpose?

Mr. SHAFER. Altogether 225,000.

Mr. CRAWFORD. In other words, you preserve one-third of the 665,000 and 75,000 or 65,000 special?

Mr. SHAFER. I think that is very plain. It is not quite that amount, but around 200,000 general and 65,000 special.

Mr. MORTON. Mr. Speaker, will the gentleman yield?

Mr. SHAFER. I yield to the gentleman from Kentucky.

Mr. MORTON. These special-purpose plants, similar to the neoprene plant in Louisville, can be sold under this bill without action of Congress?

Mr. SHAFER. They can be sold? We take care of that in the bill.

Mr. JOHNSON of Texas. Mr. Speaker, I yield myself 10 minutes.

Mr. Speaker, last night at about 7 o'clock, after a 5-hour session, the House

and Senate conferees agreed on a final version of the Rubber Act of 1948. For reasons that I will make abundantly clear, I did not join my colleagues in signing the conference report. The final version of the conference report is considerably different in its most important aspects from that which the House has heretofore unanimously approved.

Mr. Speaker, I want to say at the outset that, in my opinion, the House bill represented the product of real statesmanship. The House unanimously passed a bill, under the able leadership of the gentleman from Michigan [Mr. SHAFER], which recognized the security interests of the United States as paramount. I want to say also that the House conferees, Messrs. SHAFER, SHORT, COLE, and VINSON, carried on a strong and vigorous fight at the conference for the bill which the House had approved. All that the House could have done has been done, and all that the House conferees could have accomplished has, in my opinion, been accomplished.

However, I do not feel that I can associate myself with this piece of legislation which, in essence, is an order to the President of the United States requiring him to speed disposal of the Government's rubber properties which I think, and which the House bill declared, to be essential to the national security of the United States.

The conference report is a tribute to the efforts of those who believe we should speed the sale of our rubber plants. They think the bill a good bill. The rubber companies think the bill a good bill. We are told certain people in the administration think the bill a good bill.

I do not think the bill a good bill.

I was unable to support the conference report because I cannot agree with the congressional policy enunciated in it and the provisions regarding disposal of the people's synthetic rubber plants.

The House bill declared that the security interests of the United States represented the paramount consideration in dealing with the rubber plants, and that the rubber plants must not be disposed of unless those interests are facilitated and advanced. It is almost superfluous to say that unless the defense of the United States is securely maintained, private enterprise, along with all of our other democratic institutions, will be destroyed by alien philosophies and the force of alien arms.

The policy section adopted by the conferees largely reflects the philosophy expressed in the Senate bill. The policy section of the Senate bill declared that, in effect, the security interests of the United States can best be served by turning the Government rubber plants over to the giant rubber companies. It declares, in so many words, that, and I quote, "It is essential that Government ownership of productive facilities, Government production of synthetic rubber, regulations requiring mandatory use of synthetic rubber, and patent pooling be ended and terminated whenever consistent with the national security as provided in this act." I emphasize the words "as provided in this act." The act provides that the security interests of the United States will best be served



by sale of the plants. Therefore, sale of the plants will be consistent with national security, as that language is used in the act. In short, they say sale of the plants is security—and security is sale of the plants.

Use of the seductive words "consistent with national security" is thus seen to be a cynical use of appealing language in an effort to make palatable and defensible a course of action I believe to be inimical to that security.

At a time when we are mobilizing the blood and flesh of our boys, I am profoundly shocked that the Congress should declare a policy which sets the stage to demobilize a vital part of our physical defense—yes; cancellation of what Harvey Firestone, Jr., stated to be the best paid-up insurance policy this country ever had.

If the philosophy underlying the Senate bill and this report were to be carried out on a consistent basis and to a logical conclusion, would it not result in the Congress selling atomic-energy plants, our naval-petroleum reserves, our shipyards, and all of our public lands?

If the Congress declares it essential that Government ownership of rubber-production facilities must end and terminate, why not end and terminate the ownership of Government oil facilities, Government ship facilities, Government atomic-energy facilities, Government ordnance facilities?

By what I have said I do not mean that the Senate conferees have not made concessions. They did. For example, one important concession was the elimination from the conference report of the provision of the Senate bill which insured that zeal for the sale of the rubber plants on the part of the Government employees administering the bill would never flag. Failure of a Government employee to perform any act required by any provision of the Senate bill would have subjected him to a \$10,000 fine or 2 years in jail, or both.

Under section 9 (b) of the bill certain plants can be disposed of forthwith. There is located at Louisville, Ky., a neoprene plant operated by the Du Pont Co. having a rated capacity of 60,000 tons and which cost the Government about \$38,000,000. There is a Du Pont offer of 29 cents on the dollar waiting for an answer in a department downtown.

This bill is the bill of sale.

Section 9 (b) makes possible the sale of the Louisville plant to Du Pont, the present operator, the present holder of the know-how, the company on the ground and on the inside all ready to grab it at a fraction of the cost to the people of the United States.

But the conference report does have a saving grace. It is a public announcement of coming events. It is a warning to the Congress, to small-business men everywhere, to the Small Business Committee of both Houses, to the Attorney General, and to all the people, that eternal vigilance will be required if the resources of the United States owned by all of the people are to be saved for them and for their defense.

Again I say that the agreement embodied in this conference report is a victory for those who want to sell quickly.

The rubber companies are in agreement too. This is not the first time the companies have agreed. Even as we consider this bill the rubber companies, eagerly waiting to gobble up the Government's rubber plants, stand charged with violations of the antitrust laws on the basis of having entered into other agreements during the war.

Unless the President and the Department of Justice, which is charged with the enforcement of the antitrust laws, are ever alert, the giant companies now charged will peel off the Government's rubber plants and dominate to an even greater extent (the big five and their three coconspirators now produce more than 90 percent of the tires and tubes manufactured in the United States) the entire rubber industry in this country.

I happen to believe in free enterprise, but to me free enterprise does not mean that the big five companies in the United States are free to gobble up all the enterprise in the United States and hold the smaller companies, the armed services, and the public at their mercy.

This conference report is bad, but I believe it is better than the Senate bill might have been. It is the best agreement that earnest and reasonable men could produce.

In that connection, House conferees were able to obtain a proviso to section 9 (a) under which the Government must continue to maintain a rated rubber production capacity of 665,000 long tons until a disposal program is formulated and the President recommends legislation and the Congress passes it. The present law expires tonight. This legislation is better than no legislation. The stage is set, but it postpones the time when the people are divested from their plants. Government eviction is plotted, but execution is stayed.

The SPEAKER. The question is on the conference report.

The conference report was agreed to. A motion to reconsider was laid on the table.

#### SECTION 112 (D) (2) PROCUREMENT OF SURPLUS AGRICULTURAL COMMODITIES WITH SPECIAL REFERENCE TO TOBACCO

Mr. FLANNAGAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. FLANNAGAN. Mr. Speaker, I have asked for this time in order to discuss section 112 (d) (2). On yesterday the question was raised that this subsection presented administrative difficulties.

Section 112 (d) (2) implements subsection (1). It provides for "the procurement of each class or type of any such surplus agricultural commodity in the approximate proportion that the Secretary of Agriculture determines such classes or types bear to the total amount of excess of such surplus agricultural commodity over domestic requirements." In the administration of this subsection, the Administrator will be guided by four considerations as follows:

First. Is procurement for a participating country on this basis practicable and applicable? If not, the section would not apply to procurements for such country.

Second. Is such commodity in excess of domestic requirements? This information is readily available from the Department of Agriculture.

Third. Have producers of any such surplus agricultural commodity relied in the past upon markets for such commodity in participating countries? This information is readily available from the Department of Agriculture.

Fourth. Can the approximate proportion that each class or type bears to the total surplus of such commodity be readily determined? Yes, the Department of Agriculture can supply this information.

The administration of subsection (2) should therefore cause no great difficulty as the basic information required would be readily available to the Administrator.

This subsection, in its relation to other provisions of section 112, has the approval of the State Department and the Department of Agriculture. Mr. Charles E. Gage, director of Tobacco Branch, P. M. A., Department of Agriculture, stated on March 19, 1948, that he thought the section "provides a guiding principle that can be applied effectively with respect to the utilization of private trade channels and the procurement of surplus agricultural commodities."

This subsection applies to the procurement of any surplus agricultural commodity for supply to participating countries. There are however few such commodities. Tobacco and certain dried fruits are in surplus supply.

In the case of tobacco, the major portion of surplus stocks are held by Commodity Credit Corporation for farmers under nonrecourse loans, under its price-support program. The surplus stocks of tobacco include flue-cured, fire-cured, burley, dark air-cured, and Wisconsin.

Since funds for the supply of commodities to participating countries will come from taxes, the burden of aid to European countries will fall on all taxpayers. The supply of commodities to European countries will be neither on a historical basis or as a commercial transaction. There is no historic basis for such aid and it is not intended to be commercial. This being so, all producers of agricultural commodities should share proportionately to their surplus in the supply of products to participating countries.

The language of this subsection is intended to give effect to this condition. It would enable the Administrator, insofar as the different types of tobacco are suitable for the requirements of participating countries, to liquidate surplus stocks of each type and class of tobacco in the supply of this product to participating countries. This would give each producing area equal consideration and at the same time probably save loss to the Commodity Credit Corporation in its price-support program, as applied to tobacco. This subsection was incorporated in the bill at the request of tobacco growers, tobacco warehousemen, and tobacco dealers.



As there are those who question the wisdom of including tobacco in the program, I desire to call attention to the following facts:

**TOBACCO AND THE EUROPEAN RECOVERY PROGRAM  
IN GENERAL**

It is generally agreed that increased production of food products and industrial goods is the primary requirement for the recovery of western and southern European countries. Increased food production is necessary to supplement imports and thereby decrease the dependence of European countries on other parts of the world, particularly the United States. Unless the people of Europe have adequate food they cannot do the work required in rebuilding the war-torn countries. Industrial goods are necessary for bodily comfort and to increase exports by which European countries can obtain exchange to pay for imports and thereby become self-supporting.

Long years of war in Europe have not only wrecked much of its industrial potentials but the hardships and privations suffered by its population have sapped their vigor and left many of them not only almost helpless but almost hopeless. Under these circumstances, incentives, as well as basic food and shelter, are necessary to improve the morale of the population and to stimulate their energy for the needed increase in production of farm commodities and industrial products.

Previous aid to Europe has been on an austerity basis and the results obtained were not commensurate with the cost. We should now make proper allowance to human nature and give the people of Europe some of the things they want most as well as the basic necessities of life.

**(B) INCENTIVE VALUE OF TOBACCO**

Money is regarded as the universal incentive and under normal conditions an offer of money, in sufficient sum, usually produces the desired stimulus to action. However, money will obtain the desired action only when it can be exchanged for basic necessities and for the things which make life worth the living. Consumer goods in many countries of Europe are so scarce and expensive that money has slight appeal to the population as they cannot exchange it for the things they desire most. Money, therefore, has slight incentive value. Under these circumstances other incentives are necessary, and tobacco is unexcelled for this purpose.

In his address at Atlanta, Ga., on January 22, 1948, the Secretary of State said:

Tobacco comes within the category of incentive goods. As a practical matter, it has been found that the availability of tobacco is an effective stimulus to morale and productivity.

Testimony before the Senate Appropriations Committee showed that the Department of the Army recognizes the incentive value of tobacco as a spur to industrial production and in building and sustaining morale. The people of all nations want and need something more than bare necessities; something which adds a sense of home comfort and well being. Tobacco products, ciga-

rettes, pipe and chewing tobacco, and cigars, supply this need. Mr. Edmund Cody Burnett, in the July issue of *Agricultural History*, makes this observation:

I have mentioned coffee as one of the prime contributors to the more abundant life, but its yokemate in furtherance of the pursuit of happiness is tobacco. These two, I maintain, have done more to promote human fellowship and contentment than all the mechanical inventions of our age.

**(C) REVENUE VALUE OF TOBACCO**

Tobacco is a ready source of revenue to governments. Some countries derive most of their revenue from tobacco through customs duties, some from excise taxes, and others through government monopolies whose profits, from the manufacture and distribution of products, accrue largely to the treasuries of these countries.

For the period ended June 30, 1947, the Government of the United States obtained \$1,264,157,478 from tobacco. This was distributed as follows:

Internal revenue (excise).....	\$1,237,768,000
Customs duties.....	26,389,478
Total.....	1,264,157,478

It should be noted that the total scheduled expenditure for the supply of tobacco from the United States to all countries for the 4 years and 3 months under the proposed European recovery program is less, by \$350,000,000, than the revenue obtained from tobacco by our Government during the last fiscal year. The above revenue does not include income taxes from individuals and corporations engaged in the several phases of the tobacco industry. So far as I can find, there is no other commodity, raw or manufactured, from which this Government derives sufficient direct revenue to pay for the amount to be supplied under the European recovery program.

The countries to receive aid under the program are in need of increased governmental revenue. Their revenues can be increased greatly through receiving adequate supplies of tobacco. For the fiscal year 1947-48, it is estimated the Government of the United Kingdom derived from all duties on tobacco the sum of 525 million pounds sterling or more than \$2,000,000,000 at the present rate of exchange. In 1946, the French Government's net profit from the tobacco monopoly was approximately 30,369,000,000 francs, equal to about \$255,000,000 at the legal rate of exchange. The Government of Austria derived from tobacco about 34 percent of its total revenue in 1946 and during the same period tobacco supplied about 30 percent of the total revenue which accrued to the Government of Italy. Aside from its incentive value, an adequate supply of tobacco is important as a source of revenue to the countries which will receive aid under the European recovery program.

**(D) EUROPEAN BLACK MARKET IN TOBACCO**

The black market in many products flourishes in several European countries. The most widespread is the black market in cigarettes. This is so because of their shortage in many countries, and their

barter value as well as their desirability for consumption.

A recent report from the Netherlands states that "the black market is doing a roaring trade in English and American cigarettes which are selling at about four guilders (\$1.24) for 20 and are stocked by the hall porters of most big hotels. Cigarettes still seem to be the only item for which the Dutch are prepared to pay any price." The black market in cigarettes in Germany is notorious. Cherished household goods and other valuables are exchanged for cigarettes and the Germans are in that way being deprived of their assets by unscrupulous persons, some of whom are Americans.

The operation of black markets leads to misdemeanors and sometimes to actual crime. The Associated Press reported in the *Washington Star* of December 9, 1947, as follows:

Two attempts to transport a total of 589 cartons of cigarettes from Massachusetts to Germany were thwarted by customs officials last week, United States Attorney William T. McCarthy reported last night.

Mr. McCarthy said customs officials prevented an Army officer from transporting 110 cartons from Westover Field. The cigarettes, he added, would have brought \$9,000 in the German black market.

He said that 479 cartons were found in the possession of crew members of the American freighter *F. Marion Crawford*, loading wheat for the Army in Germany.

Life magazine, November 3, 1947, reported that children smugglers of coffee and cigarettes for the German black market were numerous. When caught "they are brought before a British-operated juvenile court which may sentence them to a special 'children's prison' for 28 days or to a detention school for 2 or 3 years."

The black market and illegal trade in cigarettes can be stamped out by an adequate supply of tobacco to several European countries.

**(E) CURRENCY STABILIZATION VALUE OF  
TOBACCO**

Currency stabilization is one of the pressing problems of many European countries. The shortage of consumer goods has caused prices to soar to levels out of line with the incomes of the population in many countries. This inflationary situation causes great hardships to the urban population with fixed wages and salaries but makes black market operations profitable to those engaged in this illegal trade.

It is well known that in many European countries cigarettes are more valuable than their currencies. Not because their currencies are worthless but because an individual can acquire food and other desirable articles more readily with cigarettes than with money. Travelers from Europe tell of services obtained and goods purchased with cigarettes where money could not obtain either the services or the goods. The *Economist*, London, of April 12, 1947, published an article on the "Tobacco standard" as a medium of exchange and as a basis for currency valuation. The article indicates that the cigarette was, at the end of the war, the most valuable medium of exchange in many European countries. This condition still exists in some countries.



The fantastic prices paid for cigarettes in many European countries, especially in the black market, indicates the need for adequate supplies of tobacco. Adequate supplies of tobacco products would drain off surplus cash from the population and this would tend to decrease the pressure on prices of other consumer goods and act as a brake on inflation.

So long as tobacco products, particularly cigarettes, have a trading value greater than their currencies, it will be difficult to stabilize the currency of any of these countries. An adequate supply of tobacco would remedy this particular difficulty.

#### POLITICAL VALUE OF TOBACCO

In Europe, the ideology of totalitarianism made great headway before the war and in fact was the cause of World War II. In some countries this ideology still exists, and is spreading in certain countries which have a democratic form of government.

The European recovery program is designed and intended not only to rebuild the economy of western Europe but to combat the extension of any ideology intended to enslave people through false propaganda. Aid to European countries on a purely subsistence basis will not frustrate the designs of those who would destroy all democracies. To achieve any marked political results, aid must supply some of the things people desire, as well as their basic needs. It is probably difficult for the people of any country to be truly thankful for aid supplied on the basis of austerity and to understand the value of democratic government when the democracies supply them with only the bare necessities which they might as easily obtain if they subscribed to any form of autocracy.

It appears desirable from the political viewpoint to include some of the things that will give the people of Europe what they most desire, as well as what they must have, to sustain life. Something that will give a sense of satisfaction, that will add comfort, and will soothe strained nerves and tired bodies. Tobacco products will provide one item of consumer goods that will give the people of Europe these things. Tobacco is something they want, and it will instill a desire to strive for the better things of life which can be obtained under freedom of initiative provided by democratic governments.

#### SUMMARY

To summarize, adequate supplies of tobacco to participating countries under the European recovery program will:

First. Provide an incentive for greater production on farms, in factories, and in mines.

Second. Improve the morale of the population.

Third. Provide revenue badly needed for internal purposes.

Fourth. Stamp out the black market in cigarettes and decrease crime. Inadequate supplies will perpetuate the black market.

Fifth. Assist in stabilizing the currencies of European countries and aid in reducing inflation.

Sixth. Aid in eliminating or retarding the spread of ideologies antagonistic to democracy and to world peace.

#### EXTENSION OF REMARKS

Mr. EBERHARTER (at the request of Mr. BUCHANAN) was granted permission to extend his remarks in the RECORD and include an editorial.

Mr. REED of New York asked and was given permission to extend his remarks in the RECORD and include extraneous matter.

Mr. GWINN of New York (at the request of Mr. JUDD) was given permission to extend his remarks in the RECORD.

#### EQUALIZATION OF OUR NATURALIZATION LAWS

Mr. JUDD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. JUDD. Mr. Speaker, the following editorial, carried by the Milwaukee Journal for March 29, provides additional evidence of the need to equalize the application of American naturalization law. Such equalization, long overdue, will be provided by passage of the bill H. R. 5004 which I introduced some weeks ago. Hearings on this measure are to be held shortly.

#### END THIS DISQUALIFICATION

There is in this country a mother who had five sons in service. Every one volunteered. Every one was in combat. Every one was wounded and one was killed. The other four veterans have more than 30 individual decorations and medals among them.

Yet the mother of these five sons is not allowed to become an American citizen. In another instance, the mother of a soldier who won the Congressional Medal of Honor is not allowed to become a citizen.

Why? Because these mothers were born in Japan. If they had been born in China or India or the Philippines they could be naturalized, provided, of course, they qualified as all other applicants for citizenship must qualify.

About 33,000 Americans of Japanese descent fought side by side with other Americans. They stormed the heights of Cassino. They rescued the lost "Texas" battalion in the Vosges Mountains. As the late Gen. Joseph Stilwell said: "They bought an awful big hunk of America with their blood."

But their mothers and fathers, unless born in the United States, cannot become full Americans.

All of these persons have lived in this country at least 24 years, because the Japanese Exclusion Act was passed in 1924. Most have lived here longer. All told, there are about 88,000 Americans of oriental descent who are still not allowed to become citizens, no matter what they have contributed to the country or how loyal their lives have been.

American citizenship has been extended many times. In 1790, eligibility included only free white persons; in 1870, it was extended to persons of African nativity or descent; in 1900, to inhabitants of Hawaii; in 1917, to inhabitants of Puerto Rico; in 1924, to American Indians (big hearted of us, wasn't it?); in 1927, to inhabitants of the Virgin Islands; in 1940, to races indigenous to North or South America; in 1943, to Chinese; in 1946, to Filipinos and natives of India.

Let's finish the job in 1948. Immigration controls are one thing. Citizenship is another. All qualified permanent residents of the United States should be eligible for citizenship. It is the only consistent democratic policy.

#### EXTENSION OF REMARKS

Mr. PATTERSON asked and was given permission to extend his remarks in the RECORD and include a communication and enclosure received from four postal employees from Waterbury, Conn.

#### SPECIAL ORDER GRANTED

Mr. MERROW. Mr. Speaker, I ask unanimous consent that on tomorrow, Thursday, April 1, after the disposition of business on the Speaker's desk and the conclusion of special orders heretofore granted, I may address the House for 20 minutes.

The SPEAKER. Is there objection to the request of the gentleman from New Hampshire?

There was no objection.

#### EXTENSION OF REMARKS

Mr. OWENS asked and was given permission to extend his remarks in the RECORD and include a letter received from a constituent.

#### SPECIAL ORDER GRANTED

Mr. McDOWELL. Mr. Speaker, I ask unanimous consent that on tomorrow after the disposition of business on the Speaker's desk and the conclusion of special orders heretofore granted, I may address the House for 1 hour.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

#### EXTENSION OF REMARKS

Mr. PRICE of Florida asked and was given permission to extend his remarks in the RECORD.

The SPEAKER. Under previous order of the House, the Delegate from Alaska [Mr. BARTLETT] is recognized for 15 minutes.

#### ALASKA COMMUNICATIONS SYSTEM

Mr. BARTLETT. Mr. Speaker, the Signal Corps of the United States Army observed its eighty-fifth anniversary this month. It was in the year 1860 that Albert J. Myer, an assistant Army surgeon, developed a system of signaling with flags which became known as wig-wag. In that same year he was made first Chief Signal Officer of the Army and 3 years later by act of Congress the Signal Corps was established as a separate branch of the Army. At that time this branch of the service consisted of less than 100 officers and men. The present Weather Bureau evolved from the weather reporting system established by the Signal Corps in 1870.

Since 1900 the Signal Corps has been part and parcel of the Alaska scene. First known as the Washington-Alaska Military Cable and Telegraph System, and more familiarly as the WAMCATS, the agency is now designated as the Alaska Communication System. But whatever name it bears, it ranks high in the esteem of Alaskans and has played an important part in the development of the Territory. There civilian as well as military communication service is furnished by the Signal Corps. Nowhere, I venture to say, is there a closer community of interest than between the per-



sonnel of the ACS and the civilian residents of Alaska. There the military and civilian have lived in perfect harmony. It is interesting to note that at Point Barrow, Alaska, the Signal Corps established, in days long since passed, one of the first outlying stations of the weather reporting system. It is interesting also to recollect that Gen. Billy Mitchell, great Air Force general, served as a first lieutenant in the WAMCATS. Alaskans—and this description includes those of the ACS—are proud to note that the training received on the system stood the Nation in good stead in World War I and World War II. Experienced men from the system provided the foundation upon which the expanded signal organization of the wartime armies was built.

The Signal Corps actively participated in the construction of thousands of miles of new land lines in Alaska and Canada.

#### MILITARY GARRISONS

During the days of the gold rush in the Klondike, 1897 to 1900, and the resultant influx of people into Alaska, the United States Government found it necessary to establish military garrisons at various points to maintain law and order in the Territory. In order to furnish telegraphic communications between these garrisons and the military department of Alaska, with headquarters at St. Michael, Congress authorized in 1900 the construction of the necessary telegraph lines and cables for the purpose. It was stipulated in the basic act that this communication system would be available to handle commercial communications and communications for the general public. Construction of these lines was started in the summer of 1900 and completed in 1903 by the Signal Corps, United States Army.

A cable was laid in 1900 between St. Michael and Nome. In 1903 a cable was also laid between Juneau and Skagway which connected with Canadian telegraph lines at that point. The cable between St. Michael and Nome was not satisfactory, mainly because of frequent interruptions caused by heavy icing which severed the cable and carried it out to sea. The cable was therefore replaced by radio in 1903. This was the first point-to-point radio channel put into service on the American continent for commercial use.

In 1903 and 1904, Congress appropriated approximately \$800,000 for the purchase and laying of cables, and in those same years cables were laid from Seattle to Sitka and Sitka to Valdez, with a connecting lag Sitka to Juneau.

During the next 20-year period, 1904 to 1924, all of the original cables wore out and in 1924 Congress appropriated \$1,500,000 for new cable to replace the old. During the next few years, with the rapid development of radio, several of the old telegraph lines were replaced by radio. In 1930 high-power radio stations were established at Seattle, Ketchikan, and Anchorage, being finally placed into operation on November 1, 1931.

#### CABLE REPAIRED

In 1932 the Ketchikan-Seward cable was converted to simplex operation and continued to operate in such a manner

until 1934 when it was abandoned. However, in 1941 when war was imminent, the cables were repaired and put back into use. In 1942 the Ketchikan and Seward cables were converted to duplex operation, which allowed messages to be sent both ways simultaneously on a single conductor cable. During the same year the Seattle-Ketchikan cable was also converted to duplex operation. On July 16, 1942, a two-channel multiplex installation between Seattle, Ketchikan and Anchorage was completed and put into operation. This installation permitted four messages to be sent simultaneously over a single conductor cable. In February 1943, multiplex machines were installed at Fort Richardson, headquarters of the Alaska Defense Command, which made possible direct transmission from Fort Richardson to Seattle.

During the early years of World War II, radiotelephone circuits to Alaska were reserved for military use. However, on July 17, 1944, the Seattle-Juneau, Seattle-Ketchikan and Juneau-Ketchikan circuits were opened to the public and commercial business was resumed. The Seattle-Anchorage radiotelephone circuit was opened to the public on October 15, 1944, extended to Whittier and Seward on November 25, 1944, and on to Fort Richardson on December 15, 1944. On May 14, 1945, the circuit was extended to Fairbanks and radiotelephone circuits were opened from Seattle to Adak on July 13, 1945, Seattle to Nome on July 24, 1945, and Seattle to Kodiak on May 9, 1946.

In March 1946 an improved service was made available at the major ACS stations in Alaska whereby local circuits could be provided to commercial customers on a lease basis, either in their entirety or to connect with the ACS commercial network facilities. Such special and fast service has been particularly helpful to the commercial air lines in their development of Alaska.

#### SHIP-TO-SHORE SERVICE

In 1946 coastal harbor radiotelephone service to ships at sea was initiated at Craig, Nome, Seward, Sitka, and Valdez. This was intended to provide for the demands for such service from fishing vessels operating in Alaskan waters, and will later provide a modern ship-to-shore telephone service to passenger vessels operating in the area.

In April of 1946, the Alaska Communications System was given the responsibility for the operation and maintenance of that portion of the Alcan Highway telephone line between the Canadian border and Fairbanks, Alaska, a distance of approximately 300 miles.

It should be observed that, with rising prices all around us and with demands from many communication agencies for increases in rates, the Alaska public was treated to the unusual situation of having their telephone and telegraph rates generally reduced approximately 20 percent a few months ago. It should be observed also that this particular organization, the Alaska Communications System, is one of the very few Government agencies that very definitely pays its own way. Money appropriated by Congress in support of this agency either comes

back to the United States Treasury in actual cash or in direct savings to Federal Government agencies whose communications are carried free over the system. In addition, it provides the only field today where a highly technical branch of the military service is able to train on live communications. This one feature has a very high value which cannot easily be measured in dollars, but it paid off in a remarkable manner during the war just concluded, when ACS trained personnel furnished on short notice many highly trained signalmen to meet urgent military demands before the civilian communication specialists could be made available at remote locations in our worldwide effort.

ACS, like all other military organizations, has been seriously handicapped, due to the sudden demobilization of the military. ACS personnel dropped from 2,200 in 1943 to 650 in 1945—many of the latter practically untrained recruits. Nevertheless, communication men are returning to the system from all over the world, reenlistments are increasing, and the organization is gradually getting back on its feet. Prior to the war, ACS had the highest reenlistment rate of any organization in the United States Army. This is a sure sign of an outstanding military organization. It appears that ACS is fast resuming its position in this matter.

#### STATIONS OPERATED

The Alaska Communications System presently operates a total of 35 stations. One of these is in Seattle and the other 34 are located in the major towns and villages in Alaska. The headquarters of the system, together with the engineering and construction division, the detachment headquarters, which handles the flow of military personnel north and south through Seattle, as well as a sizable supply and maintenance set-up, all operate from Seattle. New projects and major rehabilitation projects for existing plant are planned, equipment obtained, tested and modified to meet the rigors of Alaska climatic conditions in Seattle, with installation teams then moving into the Alaska area during the workable summer months to carry out such projects. Since the ending of the war, it has been noted that ACS has been aggressively relocating and improving its installations, which will be of immediate benefit to the general Alaska public and of definite value to the military in the event of any emergency in the future.

One of the outstanding characteristics of the system is the intense pride and proven loyalty of the personnel belonging to the system. Many of the officers and men have been with the system for over 20 years. They know Alaska and the Alaskans, and the Alaskans know these men and women of ACS. This unique military organization is definitely considered a part of Alaska. It has been Alaska's means of communicating with the world in moments of disaster as well as moments of triumph. It was the ACS who in 1903 provided the first commercial radio service on the American Continent; it was an ACS man at the lonely Point Barrow station, well



within the Arctic Circle, who on August 15, 1935, found the bodies of Will Rogers and Wiley Post and brought that sad news to the world; the ACS provided the ground communication to the early day Russian and American pioneering air flights over the North Pole regions; this is the organization which on short notice provided a reliable and dependable communication system over a stretch of approximately 2,000 miles through the Aleutian Island chain in the tense days of 1941 and 1942 when it appeared that the Japs might use those islands as stepping stones to our west coast. Recently, and since the war, the ACS was the agency that kept contact with the *Dreamboat* flight all the way from Honolulu to Cairo; it was an ACS operator at Valdez who performed heroic service in connection with the fire which burned the hospital there during a wintry night and who then opened his radio station and sent for aid to the community; it was the ACS who rendered such valuable service to the Alaskan Air Command recently as to win a commendation from General Atkinson of that command for valuable assistance in the search and rescue efforts connected with the recent loss of one of our new B-29's in the wilds of the Alaska Peninsula. It is no wonder then that the Alaskans are proud of this particular Government agency, and that the men and women belonging to ACS are proud of their organization.

## EFFICIENT DIRECTION

Under Maj. Gen. Spencer B. Akin, chief signal officer of the United States Army, the Alaska communication system is now, thanks to appropriations being made by this Congress, preparing to expand and extend its facilities to meet civilian as well as military needs.

Col. T. J. Tully, commanding officer of the Alaska communication system, has in my judgment done an outstanding job in a most difficult assignment. He is the fourteenth Army officer to command the system. Like his predecessors, Colonel Tully has won a firm place for himself in the esteem of Alaskans.

We in Alaska are proud of the Alaska communication system and its accomplishments. As a training ground for the Signal Corps and as the communication agency for all of the Territory, the ACS has discharged its responsibilities in a manner which reflects credit upon the entire Army.

## SPECIAL ORDER

The SPEAKER. Under previous order of the House, the gentlewoman from Massachusetts [Mrs. ROGERS] is recognized for 5 minutes.

Mrs. ROGERS of Massachusetts. Mr. Speaker, the hour is late and the House has had a busy day, so the gentlewoman from Massachusetts will not take the time allotted to her.

## LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. JACKSON of California, indefinitely, on account of attendance at Pan-American Conference at Bogota, Colombia, South America.

## SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 2393. An act to promote the general welfare, national interest, and foreign policy of the United States by providing aid to China; to the Committee on Foreign Affairs.

## ENROLLED BILL SIGNED

Mr. LeCOMPTE, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H. R. 5314. An act to strengthen national security and the common defense by providing for the maintenance of an adequate domestic rubber-producing industry, and for other purposes.

## BILLS AND JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. LeCOMPTE, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, bills and a joint resolution of the House of the following titles:

H. R. 718. An act for the relief of Clarence J. Wilson and Margaret J. Wilson;

H. R. 986. An act for the relief of Leslie H. Ashlock;

H. R. 1215. An act for relief of Kazue Oda Takahashi;

H. R. 1586. An act for relief of Mrs. Leslie Price, and others;

H. R. 2214. An act for relief of Dave Hougardy;

H. R. 2347. An act for relief on Mrs. Akiko Tsukado Miller;

H. R. 3061. An act for relief of Victor C. Kaminski;

H. R. 3118. An act for relief of Mrs. Susan W. Roe;

H. R. 3229. An act to exempt Hawaii and Alaska from trade statistics Act of 1902;

H. R. 4177. An act for relief of William L. Cunniff;

H. R. 4478. An act to provide basic authority for certain administrative expenditures for the Veterans' Administration, and for other purposes;

H. R. 4938. An act to amend the Tariff Act of 1930 with reference to platinum foxes;

H. R. 4943. An act to extend the authority of the Administrator of Veterans' Affairs to establish and continue offices in the territory of the Republic of the Philippines;

H. R. 5049. An act to reopen the reconstituted Oregon and California Railroad and reconveyed Coos Bay Wagon Road grant lands to exploration, location, entry, and disposition under the general mining laws; and

H. J. Res. 355. Joint resolution making appropriations for foreign aid, welfare of Indians, and refunding internal-revenue collections.

## ADJOURNMENT

Mr. HALLECK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 7 o'clock and 10 minutes p. m.) the House adjourned until tomorrow, Thursday, April 1, 1948, at 12 o'clock noon.

## EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1427. A letter from the Postmaster General, transmitting a draft of a proposed bill for

the relief of certain postal employees; to the Committee on the Judiciary.

1428. A letter from the Comptroller General of the United States, transmitting a report on the audit of the United States Maritime Commission and the War Shipping Administration for the fiscal years ended June 30, 1946, and June 30, 1947 (H. Doc. No. 585); to the Committee on Expenditures in the Executive Departments and ordered to be printed.

1429. A letter from the Attorney General, transmitting copies of the voluntary allocation plan for conservation of grain by the brewing industry; to the Committee on Banking and Currency.

1430. A letter from the Acting Archivist of the United States, transmitting lists or schedules covering records proposed for disposal by various Government agencies; to the Committee on House Administration.

## PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BUCHANAN:

H. R. 6065. A bill to prescribe the procedures of investigating committees of the Congress and to protect the rights of parties under investigation by such committees; to the Committee on Rules.

By Mr. KILBURN:

H. R. 6066. A bill to authorize the coinage of 50-cent pieces in commemoration of the two hundredth anniversary of the founding of the city of Ogdensburg, N. Y.; to the Committee on Banking and Currency.

By Mr. MILLER of Nebraska:

H. R. 6067. A bill authorizing the execution of an amendatory repayment contract with the Northport irrigation district, and for other purposes; to the Committee on Public Lands.

By Mr. SIMPSON of Pennsylvania:

H. R. 6068. A bill to amend section 131 (c) of the Internal Revenue Code; to the Committee on Ways and Means.

By Mr. COX:

H. R. 6069. A bill to provide a cost-of-living adjustment in the rates of compensation payable to veterans of World Wars I and II for service-connected total disability and to the widows and children of veterans of World War II for service-connected death; to the Committee on Veterans' Affairs.

By Mr. LODGE:

H. R. 6070. A bill increasing the immigration quotas for Italy; to the Committee on the Judiciary.

By Mr. MILLER of Nebraska:

H. R. 6071. A bill to provide for the treatment of sexual psychopaths in the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. ANDREWS of New York:

H. R. 6072. A bill to clarify the status of inactive members of the Naval Reserve relating to the holding of offices of trust or profit under the Government of the United States; to the Committee on Armed Services.

By Mr. BARRETT:

H. R. 6073. A bill to provide for the acquisition of lands for grazing and related purposes; to the Committee on Public Lands.

By Mr. HARTLEY:

H. R. 6074. A bill to amend the Labor-Management Relations Act of 1947, being an act entitled "An act to amend the National Labor Relations Act, to provide additional facilities for the mediation of labor disputes affecting commerce, to equalize legal responsibilities of labor organizations and employers, and for other purposes"; to the Committee on Education and Labor.

By Mr. BEALL:

H. R. 6075. A bill to define the status of retired firemen; to the Committee on the District of Columbia.



By Mr. PRICE of Florida:

H. R. 6076. A bill to authorize a preliminary examination and survey of the Callahan area, Nassau County, Fla., for flood control, drainage, and related purposes; to the Committee on Public Works.

H. R. 6077. A bill to authorize a preliminary examination and survey to be made of Rice Creek and its tributaries in Putnam and adjacent counties, Florida, for flood control, drainage, and related purposes; to the Committee on Public Works.

By Mr. LEONARD W. HALL:

H. R. 6078. A bill to amend section 303 (e) of the Interstate Commerce Act, as amended; to the Committee on Interstate and Foreign Commerce.

By Mr. RAMEY:

H. R. 6079. A bill establishing a procedure by which the Administrator may assure veterans full educational and training opportunities commensurate with the tuition charges by educational and training institutions, and for other purposes; to the Committee on Veterans' Affairs.

By Mrs. BOLTON:

H. R. 6080. A bill to amend the Federal Food, Drug, and Cosmetic Act so as to prohibit the movement in interstate commerce of salt, in certain containers and of certain crystal sizes, not having a prescribed content of iodides; to the Committee on Interstate and Foreign Commerce.

By Mr. BUCHANAN:

H. J. Res. 362. Joint resolution to provide for the exportation of arms, munitions, and implements of war from the United States to Palestine; to the Committee on Foreign Affairs.

By Mr. WELCH:

H. J. Res. 363. Joint resolution providing for the ratification by Congress of a contract for the purchase of certain lands and mineral deposits by the United States from the Choctaw and Chickasaw Nations of Indians; to the Committee on Public Lands.

By Mr. JACKSON of California:

H. Con. Res. 180. Concurrent resolution relating to the immediate establishment of armed forces under the Security Council of the United Nations for the maintenance of international peace and security; to the Committee on Foreign Affairs.

By Mr. HARNES of Indiana:

H. Res. 517. Resolution providing for expenses of conducting studies and investigations authorized by rule XI (1) (h) incurred by the Committee on Expenditures in the Executive Departments; to the Committee on House Administration.

#### MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the Commonwealth of Kentucky, memorializing the President and the Congress of the United States to pass a law providing Federal aid for equalizing educational opportunities among the several States; to the Committee on Education and Labor.

Also, memorial of the Legislature of the Commonwealth of Kentucky, memorializing the President and the Congress of the United States relative to Federal aid for an educational program; to the Committee on Education and Labor.

#### PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BLATNIK:

H. R. 6081. A bill for the relief of Alton Bramer; to the Committee on the Judiciary.

By Mr. DAWSON of Illinois:

H. R. 6082. A bill for the relief of Sadako Takagi; to the Committee on the Judiciary.

By Mr. EVINS:

H. R. 6083. A bill for the relief of Elizabeth Rowland; to the Committee on the Judiciary.

By Mr. POULSON:

H. R. 6084. A bill for the relief of Julia E. Vail; to the Committee on the Judiciary.

#### PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1677. By Mr. BARTLETT: Petition of American Legion Post No. 2, of Valdez, Alaska, in support of legislation for universal military training; to the Committee on Armed Services.

1678. By Mr. BRADLEY: Petition of 61 residents of Long Beach, Calif., urging the abolition of the tax on yellow margarine; to the Committee on Agriculture.

1679. Also, petition of David A. McKillop and 60 other residents of Long Beach, Calif., urging the abolition of the tax on yellow margarine; to the Committee on Agriculture.

1680. Also, petition of T. D. Bonney and 120 other residents of Long Beach, Calif., urging the abolition of the tax on yellow margarine; to the Committee on Agriculture.

1681. Also, petition of 60 residents of Long Beach, Calif., urging the abolition of the tax on yellow margarine; to the Committee on Agriculture.

1682. Also, petition of Mrs. Maude H. Nelson and 60 other residents of Long Beach, Calif., urging the abolition of the tax on yellow margarine; to the Committee on Agriculture.

1683. By Mr. ELSTON: Petition of Hubert Ahaus and 18 other residents of Cincinnati, Ohio, and vicinity, urging passage of legislation to reduce postage for relief packages mailed to European countries; to the Committee on Post Office and Civil Service.

1684. Also, petition of James T. Lannon and 35 other residents of Norwood, Ohio, and vicinity, urging passage of legislation to reduce postage for relief packages mailed to European countries; to the Committee on Post Office and Civil Service.

1685. Also, petition of the Reverend Severin Lamping, O. F. M., and 18 others, of Cincinnati, Ohio, and vicinity, urging passage of legislation to reduce postage for relief packages mailed to European countries; to the Committee on Post Office and Civil Service.

1686. By Mr. FORAND: Petition of the Rhode Island Committee on European Recovery Program, signed by some 3,000 Rhode Island people, urging the Congress of the United States of America to cast a favorable vote on legislation designed, in the light of Secretary of State Marshall's proposal, to fulfill the needs of a sound European recovery program; to the Committee on Foreign Affairs.

1687. By Mr. HARLESS of Arizona: Memorial of the Arizona State Legislature, relative to an international boundary fence; to the Committee on Agriculture.

1688. Also, memorial of the Arizona State Legislature, relative to repealing the Federal transportation tax; to the Committee on Ways and Means.

1689. Also, memorial of the Arizona State Legislature, relative to universal military training; to the Committee on Armed Services.

1690. Also, memorial of the Arizona State Legislature, relative to investigation of the Drefkoff plan to rehabilitate the Navajo Indians; to the Committee on Public Lands.

1691. Also, memorial of the Arizona State Legislature, relative to the Marshall plan; to the Committee on Foreign Affairs.

1692. By Mr. KEARNEY: Petition containing 29 signatures, from James T. Bergen Post, No. 39, American Legion Auxiliary, Amsterdam, N. Y., advocating legislation establishing a system of universal military training; to the Committee on Armed Services.

1693. By Mr. MARTIN of Massachusetts: Petition of sundry citizens of Massachusetts, favoring enactment of the Economic Cooperation Act of 1948; to the Committee on Foreign Affairs.

1694. By Mr. MURDOCK: Memorial of the Senate of the Arizona State Legislature, requesting Congress to repeal the Federal transportation tax; to the Committee on Ways and Means.

1695. Also, house memorial of the State Legislature of Arizona, requesting the Congress to enact a universal military training law; to the Committee on Armed Services.

1696. Also, house concurrent memorial of the Legislature of Arizona, requesting critical investigation of the Drefkoff plan for industrialization of the Navajo Indian Reservation; to the Committee on Public Lands.

1697. By the SPEAKER: Petition of the Northern Baptist Convention, petitioning consideration of their resolution opposing universal military training; to the Committee on Armed Services.

1698. Also, petition of Ernest W. Cox and others, petitioning consideration of their resolution with reference to enactment of universal military training; to the Committee on Armed Services.

1699. Also, petition of Mrs. Maggie Goldsmith, Orlo Vista, Fla., and others, petitioning consideration of their resolution with reference to endorsement of the Townsend plan, H. R. 16; to the Committee on Ways and Means.

1700. Also, petition of Mrs. G. E. Knapp, Orlo Vista, Fla., and others, petitioning consideration of their resolution with reference to endorsement of the Townsend plan, H. R. 16; to the Committee on Ways and Means.

1701. Also, petition of R. E. Young, Miami, Fla., and others, petitioning consideration of their resolution with reference to endorsement of the Townsend plan, H. R. 16; to the Committee on Ways and Means.

1702. Also, petition of T. S. Kinney, Orlando, Fla., and others, petitioning consideration of their resolution with reference to endorsement of the Townsend plan, H. R. 16; to the Committee on Ways and Means.

1703. Also, petition of Mrs. Lizzie E. Beers, Cassadaga, Fla., and others, petitioning consideration of their resolution with reference to endorsement of the Townsend plan, H. R. 16; to the Committee on Ways and Means.

1704. Also, petition of Mrs. Jennie R. Morris, Winter Park, Fla., and others, petitioning consideration of their resolution with reference to endorsement of the Townsend plan, H. R. 16; to the Committee on Ways and Means.

1705. Also, petition of Hughes R. Hilliard (through acting warden's office, Atlanta, Ga.), petitioning consideration of his resolution with reference to a petition and a motion for a change of venue; to the Committee on the Judiciary.

1706. Also, petition of Central New England Council of B'nai B'rith, petitioning consideration of their resolution with reference to reversal of the United States with respect to the Palestine policy; to the Committee on Foreign Affairs.

1707. Also, petition of Helen L. Curtis and one other person, petitioning consideration of their resolution with reference to enactment of the Marshall plan; to the Committee on Foreign Affairs.